

3 Year 100% UAE Principal Protected Notes

100%

NBAD

NBAD 3 Year 100% UAE Principal Protected Notes

Offering Circular

February 2007

National Bank of Abu Dhabi, P.J.S.C. ("NBAD" and "Issuer")



بنك أبوظبي الوطني
NATIONAL BANK OF ABU DHABI

The Number One Bank البنك الرائد PJSC ش.م.ع



NBAD 3 Year 100% UAE Principal Protected Notes

Offering Circular

National Bank of Abu Dhabi, P.J.S.C. ("NBAD" and "Issuer")

Legal Advisors:

Simmons & Simmons

P.O. Box 5931

Abu Dhabi, UAE

Up to Arab Emirates Dirhams ("AED") 360,000,000 of the NBAD 3 Year 100% UAE Principal Protected Notes (the "Notes") relating to the NBAD UAE Dynamic Index (the "Dynamic Index").

Issue Price: 100% of the notional amount per Note.

The Issuer of the Notes described in this Offering Circular is NBAD. The Issuer was incorporated on 13 February 1968 with limited liability and is registered as a public joint stock company in accordance with the UAE Commercial Companies Law No. (8) of 1984 (as amended). The Issuer's shares are listed on the Abu Dhabi Securities Market. As of the date of this Offering Circular, the Government of Abu Dhabi, via the Abu Dhabi Investment Authority, holds 73 percent of the Issuer's paid up share capital.

The Issuer operates in the UAE under a banking license granted by the Central Bank of the UAE. Its registered office address is P.O. Box 4, Abu Dhabi, United Arab Emirates.

The Issuer is the largest bank in the UAE in terms of assets and number of branches with 62 branches and cash offices and 152 automatic teller machines ("ATMs"). It is one of the main primary bankers to the Government of Abu Dhabi and public sector companies in Abu Dhabi. It is a leading corporate bank and has strong retail banking, investment banking, stock broking and treasury operations. Its overseas business is the largest among the UAE banks.

The Issuer is organized into six major divisions which also form the basis of the primary segment reporting information in the Issuer's consolidated financial information. These are the Domestic Banking Division, the International Banking Division, the Investment Banking Division, the Abu Dhabi National Islamic Finance Company (under formation), the Private Banking Division (under formation) and Head Office Support.

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Important Notice

Prospective investors in the Notes should carefully review this Offering Circular and ensure that they fully understand the nature of the Notes, in addition to the degree of their exposure to risks associated with investment in the Notes and should consider the suitability of such an investment in the light of their own particular financial, fiscal and other circumstances. Prospective investors in the Notes should refer to the "Risk Factors" section of this Offering Circular. The Notes will represent unsubordinated, unsecured contractual obligations of the Issuer which will rank pari-passu in all respects with each other.

The Notes have not been, will not be and are not required to be registered under the United States Securities Act of 1933, as amended. The Notes may not be offered or sold except to persons outside the United States.

Those persons intending to subscribe to the Notes should inform themselves as to (a) the legal requirement for acquiring, holding, redeeming or disposing Notes within the countries of their nationality and residence (b) any foreign exchange restrictions or exchange control requirements that they might encounter on the acquisition, holding, redemption or disposal of Notes, (c) the income tax consequences which might be relevant to the acquisition, holding, redemption or disposing of Notes; and (d) any other applicable laws.

The Notes will not be admitted to the regulated or unregulated market of any exchange. The Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates other than in compliance with the laws of the United Arab Emirates governing the issue, offering and sale of the Notes.

This Offering Circular is dated February 2007.

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Introduction

Investment Objective:

The Notes constitute a mid-term investment vehicle that aims to provide its investors 100% principal protection at maturity, with the potential of realizing unlimited up-side gains through exposure to the performance of the Dynamic Index as set out in the term sheet (the "Term Sheet") contained in this Offering Circular.

The Notes:

The Notes relate to the NBAD UAE Dynamic Index which is a financial index linked to the performance of the S&P IFCG UAE Index. Please refer to the Term Sheet for more information in relation to the NBAD UAE Dynamic Index.

The Notes will be authorised by the UAE Central Bank.

The exact number and size of the Notes will be determined on or about the Issue Date. The Notes will only be available for subscription in the United Arab Emirates.

Management:

The Notes and the investment thereof, will be managed by members of NBAD's Investment Banking Division on the basis described in this Offering Circular. NBAD may, in its absolute discretion, from time to time appoint investment advisors and may delegate and revoke powers of management in respect of the Notes to such person or entities on such terms and conditions as NBAD sees fit and appropriate.

- 6 NBAD will be entitled to structure the investment of the proceeds of the Notes in any way it sees fit and appropriate in order to achieve the investment objectives of the Notes and, without limiting the foregoing, will be entitled, for such purposes, to place such proceeds, or any part thereof, with a third party of its choice for investment or to commingle such proceeds with its own investments or to use the proceeds to invest in any investment product including products issued and/or managed by NBAD.

Legal Structure:

The Notes are an investment product of NBAD. The Notes are not shares or securities that represent an equity stake in NBAD or any of its assets. Investing in the Notes does not confer upon the Note holders any voting rights, rights to receive coupons, dividends, or any other rights relating to the underlying investments made by using the proceeds of the Notes.

The principal protection feature of the Notes will be held by NBAD as a liability and NBAD will ensure the return of principal to the Notes holders who have held their Notes until maturity. The Notes are effectively an investment vehicle established, administered, managed and controlled by NBAD. Upon payment of the subscription monies in respect of the Notes, investors in the Notes will not have further obligations in respect of the Notes.

The Register:

NBAD will maintain and run a register (the "Register"), which can be in an electronic form, for the Notes. The Register is the authoritative record of the rights of the individual holders of the Notes. The Register will reflect the particulars of those holders who subscribe for Notes and those redeeming their interests therein. Transfers of Notes from one Note holder to a third party are not permitted. The subscription and redemption of Notes (pursuant to the terms and conditions of this Offering Circular) will only be effective and recognised by NBAD when entered into the Register.

Reporting:

NBAD will provide the Note holders with monthly pricing in respect of the value of the Notes. Such pricing may be in paper or electronic form and may only be posted on NBAD's website.

Principal Protection and Coupon Policy:

The Notes will not pay any interim coupons. At maturity, Note holders will be entitled to repayment of their principal investment in addition to accumulated returns, if any, calculated by reference to the formula set out in detail in the Term Sheet.

For the avoidance of doubt, by subscribing for Notes, investors acknowledge that NBAD does not guarantee that the Notes will generate a return of any type and that NBAD's guarantee of the principal amount invested will only apply if investors hold the Notes until the Maturity Date. In the event of early redemption or liquidation of the Notes or any of them, amounts received by Note holders may be less than the amounts invested upon subscription.

Redemption Amount:

At maturity, NBAD will pay the Note holders the Final Redemption Amount by reference to the formula as set out in the Term Sheet. Interim Redemption Amount (at any time prior to the Maturity Date) will be on a mark to market basis and subject to a bid-offer spread as stated in the Term Sheet and calculated by the Issuer.

Subscription:

Applications for subscription in the Notes should be submitted to NBAD in the prescribed forms. Acceptance of any subscription application is subject to compliance with NBAD's requirements. NBAD will notify prospective investors whether or not their application was accepted.

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In the event the Notes are over subscribed, NBAD shall be entitled to determine the final size of the Notes and/or the basis of allotment to apply to the Notes.

Investment denominations and minimum investment in the Notes are as set out in the Term Sheet.

Payment of the amounts to be invested in the Notes must be made at the time of subscription and should be made by subscribers authorizing debit to their accounts held with NBAD.

NBAD reserves the right to reject applications for Notes without detailing any reasons.

Redemption:


Redemption of Notes will not take place during the Lock-In Period as defined in the Term Sheet. After the Lock-In Period, Note holders may redeem their Notes subject to the requirements set out in the Term Sheet particularly in relation to the minimum amounts to be redeemed and the dates by which a duly completed redemption notice (in the prescribed form) may be submitted to NBAD.

Fees and Expenses:

Please refer to the Term Sheet for details of fees and expenses relating to subscription for and redemption of the Notes and for other fees and expenses to be charged to the Notes and/or their assets (see also clauses in Notes Expenses).

Communications:

Notices and communications under or in relation to this Offering Circular or the Notes will be given to Note holders at the address or e-mail address shown in their respective subscription applications. However,



at the discretion of the Issuer, such notices and/or communications may only be posted on NBAD's website.

Accuracy of Information:

Information contained in this Offering Circular (including the Term Sheet) is, to the best of NBAD's knowledge, true and accurate as at the date of this Offering Circular. NBAD does not accept any responsibility for any representations or statements made by any person in relation to the Notes other than representations and statements set out in this Offering Circular.

Governing Law:

This Offering Circular is governed by and shall be construed in accordance with the laws of Abu Dhabi and the federal laws of the UAE as applied by the civil courts of Abu Dhabi.

Term Sheet

Name	NBAD 3 Year 100% UAE Principal Protected Notes (the “Notes”).
Type	3 Year Principal Protected Note.
Issuer	NBAD.
Guarantor	NBAD.
Calculation Agent	NBAD.
Currency	AED.
S&P IFCG UAE Index (the “S&P Index”)	<p>The Standard and Poor’s International Finance Corporation Global Index for the United Arab Emirates (the “S&P Index”).</p> <p>In 1999, Standard and Poor’s acquired the rights to the World Bank’s IFC indices which have been re-branded as S&P IFCG.</p> <p>The S&P Index aims to reflect the performance of the UAE equity markets.</p> <p>Detailed information in relation to the S&P can be found at: www.standardandpoors.com</p>
NBAD UAE Dynamic Index (the “Dynamic Index”)	Is an index whose performance is generated by applying the Volcap strategy (as set out below) on the S&P Index.
Volcap	<p>Volcap is a strategy that, when applied to an investment, aims to limit its volatility by managing the exposure to the investment’s underlying (certain fund, index, equity or any other financial instrument) (the “Underlying”) within an acceptable range.</p> <p>This strategy is based on leveraging the Underlying at times when the volatility of the Underlying is lower than a certain pre-calculated threshold (the “Threshold”), and de-leveraging the Underlying at times when its volatility is higher than the Threshold.</p> <p>Threshold : Currently set at 20% (subject to market conditions at Strike Date).</p> <p>Vol: Rolling one-month annualized volatility of the S&P Index.</p> <p>The Dynamic Index’s exposure to the S&P Index will be as follows:</p> <p>If Vol < Threshold, then the exposure of the Dynamic Index to the S&P Index will be equal to Threshold divided by Vol with a maximum exposure of 125%.</p> <p>If Vol > Threshold, then the exposure of the Dynamic Index to the S&P Index will be equal to Threshold divided by Vol.</p>
Constituents of the Dynamic Index	The S&P IFCG UAE Index and any of the constituents of the S&P IFCG UAE Index.
Notional Denomination	AED 1,000 per Note.
Issue Price	100%.
Subscription Period	22 February 2007 to 22 March 2007.
Subscription Amount	Minimum AED 10,000 (10 Notes) and thereafter in multiples of AED 1,000 (1 Note).
Subscription Fees	Up to 2% of the Subscription Amount.
Lock-In Period	6 months from the Issue Date.
Business Day	Any day (other than a Saturday or a Sunday) on which banks are open for business in Paris and Abu Dhabi.
Interim Valuation Date	Monthly on the last Business Day of each calendar month.

Interim Redemption Cut-off Date	20 th of every month (or the last Business Day before the 20 th of each month) provided that the Lock-In Period has expired.
Interim Redemption Day	Monthly on the last Business Day of each calendar month.
Interim Redemption Amount	Minimum redemption, after the expiry of the Lock-In Period is at least of 10 Notes provided that the remaining Notes after the requested redemption does not fall below 10 Notes or otherwise all the outstanding Notes would have to be redeemed.
Redemption Fees	Nil.
Management Fees	0.50% per annum deducted at inception.
Issue Date	29 March 2007.
Payment Date	Same as Issue Date.
Strike Date	Same as Issue Date.
Final Valuation Date	Strike Date + 3 years.
Maturity Date	Final Valuation Date + 10 Business Days.
Final Settlement Date	5 Business Days after Maturity Date.
Interim Redemption Settlement Date	5 Business Days after Interim Redemption Day.
Final Redemption Amount	<p>The redemption amount at maturity, with respect to each Note, is calculated in accordance with the following formula:</p> $\text{Max (Denomination} \times 100\% ; \text{Denomination} \times \left[100\% + 75\% \left(0\% ; \frac{1}{6} \sum_{t=1}^6 \left(\frac{\text{IndexValue}_t - \text{IndexValue}_0}{\text{IndexValue}_0} \right) \right) \right] \right)$ <p>Index Value_t means the value of the NBAD UAE Dynamic Index at the corresponding Semi-Annual Observation Date.</p> <p>Index Value₀ = 100%</p> <p>t from 1 to 6 means the Semi-Annual Observations during the life of the Notes.</p> <p>Semi-Annual Observations:</p> <p>Semi-Annual Observation Date 1: 6 months from the Issue Date. Semi-Annual Observation Date 2: 12 months from the Issue Date. Semi-Annual Observation Date 3: 18 months from the Issue Date. Semi-Annual Observation Date 4: 24 months from the Issue Date. Semi-Annual Observation Date 5: 30 months from the Issue Date. Semi-Annual Observation Date 6: 36 months from the Issue Date.</p>
Secondary Market	<p>The Calculation Agent will quote monthly an indicative secondary market price in the Notes until the Final Valuation Date starting after the Lock-In Period, with a maximum bid-offer spread of 1% of the nominal under normal market conditions (the indicative market price will be quoted based on the latest calculated Dynamic Index value).</p> <p>The secondary market price of the Notes will be a function of prevailing market conditions, notably (but not limited to) the USD interest rates, the AED interest rates, the performance and volatility of the Dynamic Index and/or its constituents.</p> <p>Attention of the Note holders is drawn to the fact that the redemption price determined by NBAD and the timing of the execution will reflect the liquidity and settlement characteristics of the Dynamic Index and/or its constituents.</p>

Risk Factors

Risks Related to the Issuer

Prospective investors should consider all information provided in this Offering Circular and seek their own professional advice. Risk factors relevant to the Issuer's ability to meet its obligations are listed as follows:

Ratings:

Ratings assigned to the Issuer by certain independent rating agencies are an indication of the Issuer's ability to meet its obligations in a timely manner. The lower the assigned rating on the respective scale, the higher the respective rating agency assesses the risk that obligations will not be met in a timely manner or at all. As of the publication date of this Offering Circular, NBAD has been assigned the following ratings:

Rating Agency	Long-term	Short-term
Standard & Poor's (S&P)	A	A-1
Moody's	Aa3	P1
Fitch	A+	F1

The Notes having been issued by NBAD are 100% principal protected by the Issuer only at the Maturity Date. An investment in these Notes will provide a return linked to the performance of the Dynamic Index as detailed in the Term Sheet. Investors in the Notes bear the credit risk of the Issuer, i.e. the credit risk of NBAD.

Risks related to the Notes, the Dynamic Index and its Constituents

An investment in the Notes involves risk which may include, among others, equity market, bond market, foreign exchange, interest rate, market volatility, economic, political and regulatory risks with no limitation to the occurrence of any combination of these and other risks. Prospective investors should be well-informed in respect of investment in such Notes, in the Dynamic Index and its constituents and/or other investments of similar nature. Prospective investors must comprehend the risks linked with such an investment in the Notes and are requested to please seek professional advice before investment.

Cancellation or Premature Closure in the Offer of the Notes:

The Issuer, at its own discretion, without having to disclose any specific reasons and without having to compensate any investor for any opportunity cost, has the right to cancel or close the offering of the Notes prior to or within one month of the end of the Subscription Period.

Decline in Investment Value (before maturity):

Purchase of Notes should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Dynamic Index and its constituents and/or in the composition or method of calculation of the Dynamic Index and/or its constituents since the return of such investment will be dependent upon such changes. More than one risk factor may have a simultaneous effect on the Notes such that the effect of a particular risk factor may not be predictable. It is possible that more than one risk factor may have a compounding effect on the value of the Notes which may be surprising. No guarantee can be provided as to the occurrence of any combination of risk factors and the effect it may have on the interim value of these Notes.

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Value of the Notes:

Any investor seeking to sell or dispose of the Notes before the Maturity Date may only be able to do so at a loss relative to the initial investment.

Fluctuations in interest rates, revisions in the methodology of managing the volatility of the S&P Index and the market expectations regarding the future performance of the Dynamic Index and/or its constituents are some of the factors that may influence the market value of the Notes.

The value and the volatility of the Dynamic Index depends on the prices of its constituents which are typically determined by forces of supply and demand in the UAE equities markets and in the derivative markets. These forces are, themselves, affected by factors such as actual market volatility, projected volatility, and other factors. Should the value of the Dynamic Index constituents fall and/or the market perceives that the value of the Dynamic Index constituents is likely to fall during the remaining life of the Notes, all other factors being equal, the market value of the Notes under normal conditions may also fall. On the other hand, should the value of the Dynamic Index constituents rise and/or the market perceives that the value of the Dynamic Index constituents is likely to rise during the remaining life of the Notes, all other factors being equal, the market value of the Notes under normal conditions may also rise.

Investors should particularly note that although the Dynamic Index is linked to the performance of the S&P Index, the performance of the Dynamic Index will not necessarily follow that of the S&P Index. The Dynamic Index will generate performance by applying the Volcap strategy (as set out in the Term Sheet of this Offering Circular) on the S&P Index. An effect of this is that although there may be an increase in the performance of the S&P Index and which is likely to be followed by an increase in the performance

of the Dynamic Index, the increase in the later may well be significantly lower than the increase in the performance of the S&P Index.

Settlement:

There will not be any payments or distributions until the Final Settlement Date to holders of the Notes. Processing of interim redemptions offered through the secondary market(s) of the Notes may be the only return potentially available to any investor prior to the Final Settlement Date of the Notes i.e. settlement after the Maturity Date.

Until all expenses payable by the investor in relation to the Notes that are due to the Issuer have been assessed and paid, no payment will be made to the account of the investor.

Illiquidity:

Due to the nature of the Notes, there could be no secondary market for the trading of these Notes. Since the Issuer may be the only market-maker in the Notes, the secondary market may be limited. The more limited the secondary market is, the more difficult it may be for holders of the Notes to realize value for the Notes prior to the Maturity Date. Investors will not be entitled to any rights with respect to the Dynamic Index. The Notes are not insured or guaranteed by any party other than NBAD and then only in relation to the principal invested when the Notes are redeemed at the Maturity Date.

Redemption and Settlement Risk:

The Issuer shall not be held liable, having made all reasonable efforts, for the timely execution of pending transactions when situations arise beyond its (the Issuer's) control such as acts of God, or as a result of any laws and regulations, etc.

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Determinants of Dynamic Index Value:

The value of the Dynamic Index on any Business Day will be affected by the value of its constituents. Investors may be exposed to exchange rate risk if the constituents are priced in different currencies. Trigger of factors such as corporate actions or changes in the composition of the constituents may affect the value of the Dynamic Index and therefore may affect the return on an investment in the Notes. Fluctuations in the value of any one constituent may be offset or intensified by fluctuations in the value of other constituents.

Changes in the value of the Dynamic Index will affect the price of the Notes, but it is impracticable to forecast whether the value of the Dynamic Index will rise or fall. Please also note that the historical value (if any) of the Dynamic Index and/or any of its constituents (particularly the S&P Index) is not indicative of future performance.

Nominees:

Where NBAD uses nominees in connection with investing the proceeds of the Notes, such use represents a level of technical risk but may be the only predictable way of investing the proceeds of the Notes.

Fiduciary Relationships:

Prospective investors in the Notes should note that efforts have been made by NBAD to establish fiduciary relationships with Note holders so as to ring fence protect the assets of the Notes from the effect of UAE insolvency laws. Prospective investors should nevertheless recognise that there is no established concept of trust under UAE law and therefore despite the efforts of NBAD, courts may not rule for the assets of the Notes to be protected from liquidators of NBAD in the unlikely event of NBAD becoming insolvent.

General Risks

Early Redemption or Termination by the Issuer:

Should the Issuer reasonably deem that the Notes have become impractical in whole or in part for any reason to maintain, the Issuer may without obligation redeem or terminate the Notes early. In case of any such termination, the investor(s) will receive the fair market value less any unwinding costs, etc. as determined by the Issuer in its sole discretion.

Market Disruption Event:

Upon the occurrence of a market disruption event such as a delay in the valuation of the Dynamic Index or the S&P Index, its constituents, etc. and as reasonably determined by the Issuer, the Issuer will take appropriate measures and notify the holders of the Notes.

Exchange Rate and Interest Rate Risks:

Prospective investors should be aware that an investment in the Notes may involve exchange rate and interest rate risks. Fluctuations in short term and/or long term interest rates may affect the value of the Notes. Exchange rate risk may exist if any of the constituents of the Dynamic Index is denominated in a currency other than the AED.

Hedging:

Purchase of Notes as a hedge for direct exposure in one or more constituents of the Dynamic Index may not be successful. It also may not be possible to liquidate the Notes at a price which directly reflects the value of the constituents of the Dynamic Index. There can be no assurance as to the level of any correlation between the return on an investment in the Notes and the return on a direct investment in the constituents of the Dynamic Index.

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The Issuer may enter into hedging transactions in relation to its obligations in respect of the Notes. Though the Issuer believes that such transactions are not likely to have a material impact on the value of the Notes, no assurance can be provided. The value of the Notes might be affected by the liquidation of all or a portion of the hedging positions at or about the time of the maturity or expiration of the Notes.

General Information & Considerations

The Issuer/Calculation Agent shall not be held responsible for any errors unless these are stemming from gross negligence or wilful misconduct on its part.

Taxation:

The Government of the United Arab Emirates does not, under existing legislation, enforce any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the holders of the Notes. We would, however, draw your attention to the fact that there is currently in force, in the Emirate of Abu Dhabi, legislation establishing a general corporate taxation regime (the Abu Dhabi Income Tax Decree 1965, as amended). That regime is not enforced save in respect of companies active in the hydrocarbon industry, some related service industries and branches of foreign banks operating in the Emirate of Abu Dhabi.

Distribution Agents:

The Issuer may enter into distribution agreements with various financial institutions and other intermediaries (collectively the "Distribution Agents") as determined by the Issuer. The Distribution Agents shall be able to subscribe to the Notes at a price as mutually agreed between the Issuer and the Distribution Agent(s). At a rate as offered by the Issuer and amendable as per mutual agreement, a one time or regular payment of rebate fees may be payable by the Issuer to the Distribution Agents in respect of all outstanding Notes distributed by them (Distribution Agents) up to and including the Maturity Date. The Distribution Agents will agree to comply with the selling restrictions set out in this Offering Circular and as supplemented by the additional selling restrictions set out in the relevant distribution agreements (if any).

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Contract Notes:

Contract notes confirming investment in the Notes will be sent to the relevant investors within ten (10) Business Days from the Issue Date.

Method of Payment:

Payments to Note holders will typically be made in AED. Should the investor wish to receive payment in a different currency, or if the Note holder's account is denominated in a currency other than the AED, then the Issuer will apply the prevailing currency exchange rates for such transactions at such time. Payments by the Issuer will be made to the relevant investor's account with NBAD as specified by the investor.

Calculation Agent:

The Issuer will undertake the duties of calculation agent (the "Calculation Agent") and the Issuer reserves the right to appoint another Calculation Agent at any time with notice to the investors. Any calculations and determinations in relation to the Notes shall be final and binding on the investors in the Notes. A calculation agent other than the Issuer may with the consent of the Issuer, delegate any of its obligations and functions to a third party.

Issuance of Additional Notes:

The Issuer shall at any time in its own discretion and without the consent of the investors in the Notes issue additional Notes to be part of the same series of this issuance at any price.

Notes Expenses:

The Notes shall pay all its expenses. These expenses may include (i) the costs of establishing and maintaining the Notes, (ii) the preparation, printing and distribution of the offering documents, sales literature and reports to Note holders, any Central Bank and governmental agencies fees, (iii) commissions and brokerage fees, (iv) auditing and legal fees, (v) marketing and advertising expenses, and (vi) other expenses.

All the costs and expenses associated with the organization and the initial offering of the Notes, including the costs incurred in connection with the preparation of any document, registration fees, document duty and expenses, legal consultation fees are to be borne by the Notes.

Conflicts of Interest

The following activities could present conflicts of interest and may affect the value of the Notes:

Transactions Involving the Dynamic Index and its Constituents:

The Issuer and its affiliates may engage in transactions involving the Dynamic Index and/or any of its constituents for their proprietary accounts and/or for accounts under their management. These transactions may have a positive or negative impact on the value of the Dynamic Index and/or its constituents and therefore upon the value of the Notes.

Issuance of Derivative Products Involving the Dynamic Index and its Constituents:

The Issuer and its affiliates may issue other derivative instruments in respect of the Dynamic Index or any of its constituents at any time.

Market-Making for the Notes:

The Issuer may be the only market-maker in the Notes. Such market-making may result in the Issuer determining the price of the Notes and such prices may not typically be similar to a pricing of such Notes had there been a liquid market. Such pricing can differ substantially from regularly issued valuations of the Notes. The market-maker at its discretion may alter the methodology used to provide such pricing (for example it may amend the bid-offer spread).

Underwriting or Issuance of a Constituent of the Dynamic Index:

The Issuer and its affiliates may at any time also act as an underwriter to any offerings in any constituents of the Dynamic Index. It may also at any time act as an advisor for any constituents of the Dynamic Index in any capacity.

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Reports:

The Issuer, and/or any of its affiliates may issue research reports in relation to one or more constituents of the Dynamic Index.

Underlying Investment:

The Issuer may invest a substantial part of the proceeds of the Notes in investment (debt or equity) products issued, managed and/or administered by NBAD.



P.O.Box 4, Abu Dhabi, U. A. E.

For Further information, please call Toll Free 800 2211

or visit our website: www.nbad.ae





بنك أبوظبي الوطني
NATIONAL BANK OF ABU DHABI

ش.م.ع. PJSC البنك الرائد The Number One Bank