

Addendum II

to the Programme of EFG Financial Products AG and EFG Financial Products (Guernsey) Ltd dated 14 December 2009 (the "Programme") regarding inclusion of Payment Undertaker

In addition to the Guarantor the Products issued under the above-mentioned Programme may be secured by the Payment Undertaker, as stated on the Final Termsheet. The Programme is therefore amended with the following paragraphs:

The section "Risk Factors" is amended according to Annex A.

After chapter "Introduction of the Guarantor" a new section named "Introduction of the Payment Undertaker" will be added, according to Annex B.

After section "Guarantee of EFG International AG" a new part named "Payment Undertaking of EFG Bank AG" is added, according to Annex C.

The current paragraphs "Auditors", "Significant Change", "Trend Information" and "Legal, Administrative, and Arbitration Proceedings" in Chapter "General Information" of the Programme will be replaced by the following new paragraphs:

"AUDITORS

The consolidated financial statements for the years ending December 31, 2007, December 31, 2008 and December 31, 2009 of the Guarantor have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been reported upon without qualification for the Guarantor by PricewaterhouseCoopers, certified public accountants, which has its principal place of business at Avenue Giuseppe-Motta 50, CH-1211 Geneva

The financial statements for the years ending December 31, 2007, December 31, 2008 and December 31, 2009 of the Payment Undertaker have been prepared in accordance with Swiss GAAP FER and have been reported upon without qualification for the Payment Undertaker by PricewaterhouseCoopers, certified public accountants, which has its principal place of business at Avenue Giuseppe-Motta 50, CH-1211 Geneva.

SIGNIFICANT CHANGE

Save as disclosed herein there has been no significant change in the financial or trading position of EFG Financial Products AG and of EFG Financial Products (Guernsey) Ltd, except as caused by the building-up of the Issuers and the issuance of over 2,000 listed and non-listed products, since their incorporation. There has been no significant change in the financial or trading position of the Guarantor or the Payment Undertaker and their subsidiaries (taken as a whole) since December 31, 2009 except as published and/or disclosed herein.

TREND INFORMATION

Save as disclosed herein none of the Issuers, the Guarantor or the Payment Undertaker are aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on their respective prospects during the current financial year.

LEGAL, ADMINISTRATIVE, AND ARBITRATION PROCEEDINGS

Save as disclosed herein (including in any information incorporated by reference herein) neither the Guarantor nor any of its subsidiaries (including the Issuers EFG Financial Products AG and EFG Financial Products (Guernsey) Ltd and the Payment Undertaker) is or has been involved in any governmental, legal or arbitration proceedings which may have, or have had during the 12 months preceding the date of this Programme, a significant effect on the financial position or prospects of the Guarantor and its subsidiaries (taken as a whole) nor, so far as the Guarantor, EFG Financial Products AG or EFG Financial Products (Guernsey) Ltd or the Payment Undertaker are aware, are any such proceedings pending or threatened.

The current section "Responsibility" will be replaced by the following new text:

"RESPONSIBILITY

Each Issuer, the Guarantor and the Payment Undertaker accept responsibility for the information contained in this Programme. Each Issuer, the Guarantor and the Payment Undertaker declare that the information contained in this Programme is, to the best of their knowledge, in accordance with facts and contains no omission likely to affect its import.

EFG FINANCIAL PRODUCTS AG

EFG FINANCIAL PRODUCTS (GUERNSEY) LTD

EFG INTERNATIONAL AG

EFG BANK AG

“

Zurich, 18 August 2010

6. RISK FACTORS RELATING TO THE PAYMENT UNDERTAKER

These risk factors are applicable only in relation to Products that are secured by the Payment Undertaker, as stated on the respective Final Termsheet.

6.1 Non-reliance on Financial Information of the Payment Undertaker

As a financial services provider, the business activities of the Payment Undertaker are affected by the prevailing market situation. Different risk factors can impair the Payment Undertaker's ability to implement business strategies and may have a direct, negative impact on earnings. Accordingly, the Payment Undertaker's revenues and earnings are subject to fluctuations. The revenues and earnings figures from a specific period, thus, are not evidence of sustainable results. They can change from one year to the next and affect the Payment Undertakers' ability to achieve its strategic objectives.

6.2 General Insolvency Risk

Each Investor bears the general risk that the financial situation of the Payment Undertaker could deteriorate.

Investors are exposed to the credit risk of the relevant Payment Undertaker of the Products. The Products constitute unsubordinated and unsecured obligations of the relevant Payment Undertaker and rank *pari passu* with each and all other current and future unsubordinated and unsecured obligations of the relevant Payment Undertaker. The insolvency of the Payment Undertaker may lead to a partly or total loss of the invested capital.

6.3 Liquidity

Liquidity and liquidity management are of critical importance in EFGB's industry. Liquidity could be affected by the inability to access the long-term or short-term debt, repurchase, or securities lending markets or to draw under credit facilities, whether due to factors specific to EFGB or to general market conditions. In addition, the amount and timing of contingent events, such as unfunded commitments and guarantees, could adversely affect cash requirements and liquidity.

6.4 Competitive and Business Environment

All aspects of EFGB's business are highly competitive. EFGB's competitive ability depends on many factors, including its reputation, the quality of its services and advice, intellectual capital, product innovation, execution ability, pricing, sales efforts, and the talent of its employees.

6.5 Potential Conflicts of Interest

The Payment Undertaker and affiliated companies may participate in transactions related to the Products in some way, for their own account or for account of a client. Such transactions may not serve to benefit the Investors and may have a positive or negative effect on the value of the Underlying and consequently on the market value of the Products. Furthermore, companies affiliated with the Payment Undertaker may become counterparties in hedging transactions relating to obligations of the Payment Undertaker stemming from the Products. As a result, conflicts of interest can arise between companies affiliated with the Payment Undertaker, as well as between these companies and Investors, in relation to obligations regarding the calculation of the price of the Products and other associated determinations. In addition, the Payment Undertaker and its affiliates may act in other capacities with regard to the Products, such as Calculation Agent, Paying Agent and/or Index Sponsor.

Furthermore, the Payment Undertaker, or affiliated companies of the Payment Undertaker, may issue other derivative instruments relating to the respective Underlying; introduction of such competing products may affect the market value of the Products. The Payment Undertaker and its respective affiliated companies may receive non-public information relating to the Underlying, and neither the Payment Undertaker nor any of its affiliates undertake to make this information available to Investors. In addition, one or more of the Payment Undertaker's affiliated companies may publish research reports on the Underlying. Such activities could present conflicts of interest and may affect the market value of the Products.

6.6 Significance of Credit Ratings

Access to the unsecured funding markets is dependent on the Payment Undertaker's credit ratings. A reduction in the Payment Undertaker's credit ratings could adversely affect the Issuer's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements.

Anticipated or actual upgrades or downgrades in the Payment Undertaker's credit ratings may have an impact on its creditworthiness and, therefore, the market value of a Product.

6.7 Credit Exposure

Credit exposure represents the possibility that a counterparty will be unable to honor its contractual obligations. Although the Payment Undertaker actively manages credit exposure daily as part of its risk management framework, counterparty default risk may arise from unforeseen events or circumstances.

6.8 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal or outsourced processes, people, infrastructure and technology, or from external events. The Payment Undertaker seeks to minimize these risks through an effective internal control environment.

6.9 Legal, Regulatory, and Reputational Risks

The Payment Undertaker is supervised by the FINMA as a regulated entity, and as such, the Payment Undertaker is subject to bank-wide supervision and examination by the FINMA, and accordingly, the Payment Undertaker is subject to minimum capital requirements. Violation

of applicable regulations could result in legal and/or administrative proceedings, which may impose censures, fines, cease-and-desist orders or suspension of a firm, its officers or employees. The scrutiny of the financial services industry has increased over the past several years, which has led to increased regulatory investigations and litigation against financial services firms.

Legislation and rules adopted both in Switzerland and around the world have imposed substantial new or more stringent regulations, internal practices, capital requirements, procedures and controls and disclosure requirements in such areas as financial reporting, corporate governance, auditor independence, equity compensation plans, restrictions on the interaction between equity research analysts and investment banking employees and money laundering. The trend and scope of increased compliance requirements may require the Payment Undertaker to invest in additional resources to ensure compliance.

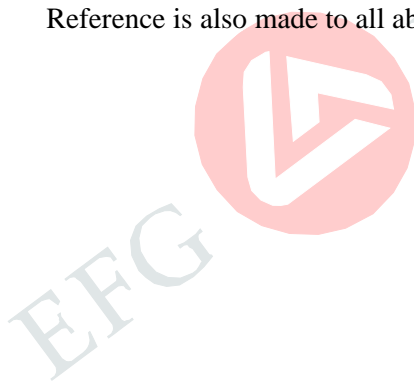
The trend and scope of increased compliance requirements has increased costs necessary to ensure compliance. The Payment Undertaker's reputation is critical in maintaining the Payment Undertaker's relationships with clients, Investors, regulators and the general public, and is a key focus in the Payment Undertaker's risk management efforts.

The Payment Undertaker is involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of its business.

7. RISKS RELATING TO THE PAYMENT UNDERTAKER

Obligations, if any, arising from the Payment Undertaking will be solely the Payment Undertaker's obligations, and no other entity of the EFG Group will have any other obligation, contingent or otherwise, to make any payments in respect thereof.

Reference is also made to all above sections which refer to the Payment Undertaker.



INTRODUCTION OF THE PAYMENT UNDERTAKER

EFG BANK AG

INTRODUCTION

EFG BANK AG ("**EFGB**") was incorporated and registered in Zurich on 8 April 1997 as a stock corporation (*Aktiengesellschaft*) under Swiss law for an unlimited duration. As from that day, EFGB is registered in the Commercial Register of the Canton of Zurich, Switzerland under the number CH-020.3.926.349-7. EFGB's registered office is located at Bahnhofstrasse 16, 8001 Zurich. The telephone number of EFGB is +41 44 226 1717.

INFORMATION ON ADMINISTRATIVE, MANAGEMENT AND AUDIT BODIES

Composition

Members of the administrative, management and supervisory bodies under company law;

Jean Pierre Cuoni	Chairman of the board	Chairman of the Board of Directors of EFG International AG. Member of the Board of Directors of EFG Bank European Financial Group SA.
Emmanuel Leonard Bussetil	Member of the board	Member of the Board of Directors of EFG International AG, European Financial Group EFG (Luxembourg) SA and EFG Eurobank Ergasias SA, a company listed on the Athens Stock Exchange. Member of the Board of Lamda Developments Limited, a property company listed on the Athens Stock Exchange and of other principal commercial holding and operating companies controlled by Latsis family interests.
Spiro J. Latsis:	Member of the board	Member of the Board of Directors of EFG International AG. Chairman of the Board of Directors of EFG Bank European Financial Group SA and European Financial Group EFG (Luxembourg) SA. Director in other EFG Group companies, including., EFG Consolidated Holdings SA, Luxembourg and EFG Eurobank Ergasias SA.

		President of SETE S.A., Geneva and Chairman of Paneuropean Oil and Industrial Holdings S.A., Luxembourg.
Hugh Napier Matthews	Member of the board	Member of the Board of Directors of EFG International AG. Chairman of EFG International's audit committee, risk committee and a member of the remuneration committee. Member of the Board of Directors of EFG Bank European Financial Group SA and European Financial Group EFG (Luxembourg) SA
Pericles Petalas	Member of the board	Member of the Board of Directors of EFG International AG. Chief Executive Officer of EFG Bank European Financial Group SA since 1997. Non-executive director of various EFG Group companies and in particular European Financial Group EFG (Luxembourg) SA
Hans Niederer	Member of the board	Member of the Board of Directors of EFG International AG. Partner at Niederer Kraft & Frey AG, attorneys-at-law and a member of the Board of Directors of various companies. Vice Chairman of the Board of Investec Bank (Switzerland) AG, LB(Swiss) Privatbank AG and Hinduja Bank (Suisse) SA as well as a member of the Boards of Algerian Foreign Commerce Bank Ltd, SLB Commercial Bank and LB(Swiss) Investment AG.
Erwin Richard Caduff	Member of the board	Member of the Board of Directors of EFG International AG. Owner of E.R.C. Consultants & Partners Pte Ltd. in Singapore.

Auditors

PricewaterhouseCoopers SA, Avenue Giuseppe-Motta 50, CH-1211 Genève 2, Switzerland.

Business:

EFGB as a global private bank offers its clients the full range of private banking services including portfolio management for private clients, investment management and advisory services, lombard

lending and trust services. In addition to its head office in Zurich, it operates through its Geneva, Hong Kong, Singapore, Dubai and Cayman Islands branches. The Bank also maintains an office in Sion.

EFGB is part of the global family of private banking businesses of EFG International AG (the “Group”).

Article 2 of EFGB's articles of association dated 29 April 2009 states that the purpose of EFGB is to hold direct and/or indirect interests in all types of businesses in Switzerland and abroad, in particular in the areas of banking, finance, asset management, and that EFGB has the power to establish new businesses, acquire a majority or minority interest in existing businesses and provide related financing. In addition, the company has the power to acquire, mortgage and sell real estate properties, both in Switzerland and abroad.

BUSINESS OVERVIEW

EFGB's clients are both private individuals and institutional investors.

EFGB's business is based on Client Relationship Officers (CROs) who work under its brand, supervision and responsibility, but manage clients on their own and have broad discretion in serving the EFGB's clients and in selecting suitable investment products and services for their clients' portfolios, albeit within its compliance, risk management, product approval and control framework. Subject to compliance with these legal, regulatory, product and internal risk management requirements, EFGB's CROs can provide private banking and asset management services to a client in any location. EFGB imposes no internal geographic or customer segment restrictions and EFGB's management does not re-allocate clients among CROs without mutual agreement.

EFGB closely monitors the performance of its CROs, from both a financial and a compliance and risk management point of view, and expects them to meet certain defined performance thresholds. Credit decisions are taken by an independent credit committee.

Product Areas

EFGB offers clients a range of investment management and advisory services, in-house investment products, margin loans and brokerage and trading services, as well as ancillary services, including time deposits and fiduciary placements and custody services.

Investment Advisory Services

Clients handled by EFGB's CROs have both discretionary and non-discretionary portfolios. Discretionary accounts are usually managed by EFGB's centralised portfolio management service department. The substantial majority of its AUM are in non-discretionary portfolios. The AUM in nondiscretionary portfolios are analysed and monitored by EFGB's CROs, who provide tailor-made investment advice to clients, who make the ultimate investment decisions.

Structured Products

EFGB offers clients a selection of structured products. These products are often developed because of the needs of a particular client and, if the products are successful, may be offered to other clients. Structured products are typically notes containing embedded derivatives with specified risk and return characteristics. Structured products offered by the EFGB may be linked to equities, interest rates, foreign exchange rates, commodities, credit and other underlying rates or prices. These products

(including their derivative elements) are issued by large third party financial institutions or by entities of EFG Financial Products in accordance with this Programme.

Funds

EFGB offers a number of the Group's own funds, including funds managed by C.M. Advisors Ltd such as conventional funds, hedge funds and funds of hedge funds. Some of these funds focus on particular types of investments, such as bonds, cash or stocks, or industries, such as healthcare. Most of the Group's funds utilise a multi-manager approach which capitalises on the collective expertise of its fund managers.

Margin Loans

Virtually all EFGB's lending is on a secured basis. EFGB offer clients loans secured by pledges over diversified collateral portfolios consisting of primarily investment-grade bonds, equities, cash, insurance policies, hedge funds and real estate properties.

EFGB had not suffered any substantial loan losses since its inception, other than in relation to loans which were acquired as part of an acquisition and for which a provision was made at the time of the acquisition.

Brokerage and Trading Services

EFGB has a nearly 24-hour trading capability five days a week in major financial markets due to EFGB's global presence. This allows EFGB to offer its clients efficient execution of trades. Trading operations are based in Geneva with supplemental operations by the Group in Hong Kong, London, Miami, Monaco, Stockholm and Zurich. EFGB's trading activities are focused on executing trades for clients.

Ancillary Services

EFGB offers clients a full range of services which are ancillary to its core investment advisory services, including time deposits and fiduciary placements and foreign exchange trading as well as custody services.

Time Deposits and Fiduciary Placements

EFGB offers clients time deposits and fiduciary placements, each of which provide clients with relatively low-risk interest earning investments.

Time deposits are deposits that can be withdrawn only upon maturity. Fiduciary placements are interest-bearing deposits placed outside Switzerland and deposited in the name of a Swiss depository bank for a fee, but held on a fiduciary basis for a client. Clients bear all the risks and benefits of the placement in order to avoid Swiss withholding tax on deposit interest.

Custody Services

EFGB offers clients securities' custody services which complement EFGB's other services. EFGB generates safekeeping fees in respect of securities that it holds on behalf of clients. Also, the general fees for managing discretionary portfolios include a safekeeping fee for custody services. EFGB also offers custody services for securities in portfolios that are managed by third party advisors or clients.

REGULATION AND SUPERVISION of EFGB

EFGB is regulated as a Swiss bank and as a securities-dealer by FINMA by which the banking licence was granted.

RECENT DEVELOPMENTS SINCE DECEMBER 2009

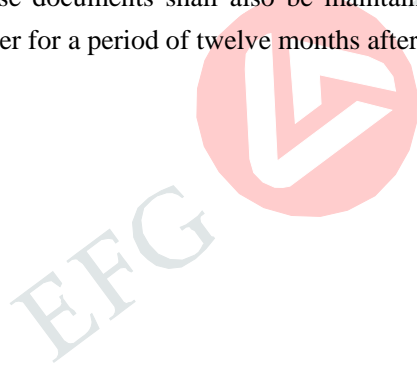
There has been no material change in the financial position of EFGB since the publication of EFGB's annual report for the period ending 31 December 2009.

INCORPORATION BY REFERENCE

For further information on the Payment Undertaker, reference is made to the following documents which have been filed with SIX Swiss Exchange:

- (i) the Annual Report 2007 of EFG Bank AG as of 31 December 2007
- (ii) the Annual Report 2008 of EFG Bank AG as of 31 December 2008
- (iii) the Annual Report 2009 of EFG Bank AG as of 31 December 2009

These documents shall also be maintained in printed format, for free distribution, at the offices of the Issuer for a period of twelve months after the publication of this document.



PAYMENT UNDERTAKING OF EFG BANK AG

Payment Undertaking Agreement

(the "Payment Undertaking")

entered into as of 18 August 2010

effective as of 18 August 2010

by and between

EFG BANK AG

being a stock corporation with limited liability, duly organized and existing under the laws of Switzerland whose registered head office is situated at Bahnhofstrasse 16, 8001 Zürich Switzerland,

(the "**Payment Undertaker**") of the one part

and

EFG INTERNATIONAL AG

being a stock corporation with limited liability, duly organized and existing under the laws of Switzerland whose registered head office is situated at Bahnhofstrasse 12, 8001 Zurich, Switzerland,

(the "**Guarantor**")

of the other part

WHEREAS

- (A) EFG Financial Products AG and EFG Financial Products (Guernsey) Ltd (each an "**Issuer**" and together the "**Issuers**") may from time to time issue warrants and structured products in securitized or uncertificated form (the "**Products**") under the terms of their Derivative Programme dated 14 December 2009, as amended from time to time (the "**Programme**") and as supplemented by the relevant final terms of each Product (the "**Final Termsheet**", together with the Programme the "**Product Documentation**").
- (B) The Guarantor guarantees under the Guarantee dated as of December 14, 2009 the Issuers' obligations in accordance with the terms and conditions of the Programme and the respective Products, as the case may be.
- (C) The Payment Undertaker has determined to execute this Payment Undertaking (within the meaning of Article 111 of the Swiss Code of Obligations) for the payment of the Redemption Amount or any other cash settlement amount, or, as the case may be, to deliver the Underlying, in the case of the Guarantor's failure to meet its obligations under the Guarantee.

The Payment Undertaker hereby agrees as follows:

1. The Payment Undertaker hereby unconditionally and, subject to the provisions in this Payment Undertaking, irrevocably guarantees to the Guarantor, irrespective of the validity and enforceability of the Guarantee, and waiving all rights of objection and defense arising from the Guarantee to which the Guarantor is entitled (provided that the Payment Undertaker shall retain its own rights of objection and defense arising from the Guarantee as regards its function as a Payment Undertaker and the Payment Undertaking), the Guarantor's obligations in accordance with the terms and conditions of the Guarantee relating to Products, as the case may be (the "**Undertaken Obligations**"), except that the Payment Undertaker is not obliged to settle physically. In the case of Cash Settlement, the Payment Undertaker is obliged to make the cash payment of the Redemption Amount or any other cash settlement amount specifically defined in the relevant Final Termsheet. In the case of Delivery of Underlying according to the Final Termsheet, however, the Payment Undertaker is not obliged to physically deliver any Underlying but may elect, irrespective of the provisions in the Final Termsheet, in its absolute and full discretion, Cash Settlement or Delivery of Underlying.
2. The Payment Undertaker may not assign its rights nor delegate its obligations under this Payment Undertaking in whole or in part, except for an assignment and delegation of all of the Payment Undertaker's rights and obligations hereunder to another entity in whatever form that succeeds to all or substantially all of the Payment Undertaker's assets and business and that assumes such obligations by contract, operation of law, or otherwise. Upon any such delegation and assumption of delegations, the Payment Undertaker shall be relieved of and be fully discharged from all obligations hereunder.
3. This Payment Undertaking shall be valid for any present or future Product issued by the Issuers under the Programme dated 14 December 2009, as amended from time to time, such Products being further specified in the relevant Final Termsheet. This Payment Undertaking may be terminated by the Payment Undertaker upon thirty calendar days' written notice to the Guarantor, provided that this Payment Undertaking shall remain in full force and effect with respect to Undertaken Obligations incurred by the Guarantor as a result of Products issued prior to the date on which the Guarantor received such notice of termination.

4. This Payment Undertaking shall be governed by and construed in accordance with Swiss law. Disputes arising from this Payment Undertaking shall fall within the jurisdiction of the ordinary courts of the canton of Zurich, venue being Zurich 1, with the right of appeal to the Swiss Federal Court in Lausanne where the law permits.

THUS DONE AND SIGNED in two originals in Zurich as of August 18, 2010

effective as of August 18, 2010

EFG BANK AG

By: _____

EFG INTERNATIONAL AG

By: _____



Financial Products