

**International Pharmaceutical Basket Equity Swap**

**Indicative terms**

<b><i>Trade Date</i></b>	[ ]
<b><i>Initial Valuation Date</i></b>	[ ]
<b><i>Effective Date</i></b>	[ ]
<b><i>Final Valuation Date</i></b>	26 <sup>th</sup> September 2002
<b><i>Averaging Dates</i></b>	The monthly anniversaries of the Initial Valuation Date commencing 26 <sup>th</sup> March 2002 and up to and including the Expiration Date
<b><i>Notional Amount</i></b>	US\$25,000,000

**Counterparty floating amounts (US\$ LIBOR)**

<b><i>Floating Rate Payer</i></b>	[ ]
<b><i>Floating Rate Index</i></b>	USD-LIBOR
<b><i>Designated Maturity Spread</i></b>	Three months Minus 0.25%
<b><i>Day Count Fraction</i></b>	Actual/360
<b><i>Floating Rate Payment Dates</i></b>	Each quarterly anniversary of the Effective Date
<b><i>Initial Floating Rate Index</i></b>	[ ]

**The Bank Fixed and Floating Amounts (Fee, Equity Option)**

<b><i>Fixed Amount Payer</i></b>	XXXX
<b><i>Fixed Amount</i></b>	1.30% of Notional Amount
<b><i>Fixed Amount Payment Date</i></b>	Effective Date
<b><i>Basket</i></b>	A basket comprising 20 stocks and constructed as described in attached Appendix
<b><i>Initial Basket Level</i></b>	Will be set at 100 on the Initial Valuation Date
<b><i>Floating Equity Amount Payer</i></b>	XXXX

**Floating Equity Amount**

Will be calculated according to the performance of the basket of stocks in the following way:

$$\text{Notional Amount} * \max \left[ 0, \left( \frac{\text{BASKET}_{\text{average}} - 100}{100} \right) \right]$$

where

$$\text{BASKET}_{\text{average}} = 100 * \sum_{120 \text{ stocks}} \left( \text{Weight} * \frac{P_{\text{average}}}{P_{\text{initial}}} \right)$$

And for each stock the Weight is given in the Appendix

P\_initial is the local currency price of each stock on the Initial Valuation Date

P\_average is the arithmetic average of the local currency price of each stock on each of the Averaging Dates

Termination Date

**Floating Equity Amount  
Payment Date****Appendix**

Each of the following stocks are equally weighted (5%):

Astra (Sweden), Glaxo Wellcome (UK), Smithkline Beecham (UK), Zeneca Group (UK), Novartis (Switzerland), Roche Holding Genus (Switzerland), Sanofi (France), Synthelabo (France), Bayer (Germany), Abbott Labs (US), Bristol Myers Squibb (US), American Home Products (US), Amgen (US), Eli Lilly (US), Medtronic (US), Merck (US), Pfizer (US), Schering-Plough (US), Sankyo (Japan), Takeda Chemical (Japan).

This indicative termsheet is neither an offer to buy or sell securities or an OTC derivative product which includes options, swaps, forwards and structured notes having similar features to OTC derivative transactions, nor a solicitation to buy or sell securities or an OTC derivative product. The proposal contained in the foregoing is not a complete description of the terms of a particular transaction and is subject to change without limitation.

