

SUPPLEMENT DATED 20 MARCH 2013 TO THE BASE PROSPECTUS DATED 21 SEPTEMBER 2012 AND THE FINAL TERMS DATED 6 MARCH 2013 RELATING TO THE SERIES 95 INSTRUMENTS

PALLADIUM SECURITIES 1 S.A.

(a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg)

Up to EUR 50,000,000 Series 95 Fixed to Floating Rate Notes due 2022

(ISIN: XS0861815172)

(the “Series 95 Instruments”)

to be issued under the

Programme for the issuance of Secured Notes

This prospectus supplement (the “**Supplement**”) dated 20 March 2013 to (i) the base prospectus dated 21 September 2012 as supplemented by the prospectus supplement dated 13 November 2012 (the “**First Supplement**”), the prospectus supplement dated 13 December 2012 (the “**Second Supplement**”), the prospectus supplement dated 1 March 2013 and the prospectus supplement dated 6 March 2013 (together, the “**Base Prospectus**”) for the issuance of secured notes (which comprises a base prospectus for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the “**Prospectus Directive**”) and (ii) the amended Final Terms dated 6 March 2013 relating to the Series 95 Instruments issued under the Base Prospectus (the “**Final Terms**”), constitutes a prospectus supplement for the purposes of article 13 of Chapter 1 of Part II of the Luxembourg act dated 10 July 2005 on prospectuses for securities.

This Supplement and the Base Prospectus are available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu).

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and the Final Terms. Terms defined in the Base Prospectus and the Final Terms have the same meaning when used in this Supplement.

Those amendments to the Final Terms mentioned in the Annex to this Supplement shall only apply to the Series 95 Instruments.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Further to its public offer of the Notes, the Issuer gives notice that (i) the Issue Date of the Series 95 Instruments is to be amended so as to be 26 March 2013 and (ii) the Series 95 Instruments are expected to be rated on or about the Issue Date by either Moody’s Deutschland GmbH or DBRS Ratings Limited.

The purpose of this Supplement is to amend the Final Terms relating to the Series 95 Instruments to reflect the change to the Issue Date and the rating agency that will rate the Series 95 Instruments mentioned above.

As a result of the above, with effect on and from 20 March 2013 the Final Terms will be amended as set out in the Annex to this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus relating to the Series 95 Instruments since the publication of the Base Prospectus.

In accordance with article 13 paragraph 2 Luxembourg act dated 10 July 2005 on prospectuses for securities, as amended, investors who have already agreed to purchase or subscribe for Series 95 Instruments offered by way of a public offer before this Supplement is published shall have the right, exercisable within a time limit of two working days after the publication of this Supplement, i.e. until 25 March 2013, to withdraw their acceptances. This withdrawal right will only apply to those investors who have agreed to purchase or subscribe for the Series 95 Instruments in accordance with the relevant Final Terms issued under the Base Prospectus before the publication of this Supplement.

Annex

Amendment of the Final Terms

The Final Terms are amended as follows:

- (i) paragraph 7(i) headed “Issue Date:” on page 2 in Part A of the Final Terms shall be amended to read as follows:

“7 (i) Issue Date: 26 March 2013”;

- (ii) paragraph 12(iv) headed “Fixed Amount(s):” on page 2 in Part A of the Final Terms shall be amended to read as follows:

“(iv)Fixed Amount(s): (a) The Interest Amount in respect of the first Interest Period is EUR 17.73 and (b) the Interest Amount in respect of each Interest Period thereafter is EUR 38”;

- (iii) the item entitled “- Date of transfer of the Collateral” in paragraph 17 (i) headed “Collateral” on page 5 in Part A of the Final Terms under the heading “Provisions Relating to Series Assets”, shall be amended to read as follows:

“- Date of transfer of the Collateral 26 March 2013”;

- (iv) paragraph 2 headed “Ratings” on pages 10 and 11 in Part B of the Final Terms shall be amended to read as follows:

“2 **Ratings**

Ratings

The Instruments are expected to be rated on or about the Issue Date by Moody’s Deutschland GmbH (“**Moody’s**”) or DBRS Ratings Limited (“**DBRS**”). The rating of the Instruments on or about the Issue Date will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website www.it.investmentprodukte.db.com on or about the Issue Date. No assurance is given that the Instruments will have a particular rating, or any rating at all, on or about the Issue Date.

Long-term ratings by Moody’s are divided into several categories ranging from 'Aaa', reflecting the highest quality over categories 'Aa', 'A', 'Baa', 'Ba', 'B' 'Caa', 'Ca'

to category 'C', reflecting that an obligation is typically in default:

- ‘Aaa’ Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
- ‘Aa’ Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
- ‘A’ Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
- ‘Baa’ Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
- ‘Ba’ Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
- ‘B’ Obligations rated B are considered speculative and are subject to high credit risk.
- ‘Caa’ Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
- ‘Ca’ Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
- ‘C’ Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Moody’s appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Moody’s is established in the European Union and registered under Regulation (EC) No 1060/2009.

The DBRS long-term rating scale provides an opinion on the risk of default. That is, the risk that an issuer will fail

to satisfy its financial obligations in accordance with the terms under which an obligations has been issued. Ratings are based on quantitative and qualitative considerations relevant to the issuer, and the relative ranking of claims. All rating categories other than AAA and D also contain subcategories “(high)” and “(low)”. The absence of either a “(high)” or “(low)” designation indicates the rating is in the middle of the category.

AAA

Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

AA

Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.

A

Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.

BBB

Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

BB

Speculative, non investment-grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.

B

Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

CCC / CC / C

Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default, or subordinated to obligations rated in the CCC to B range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the C category.

D

A financial obligation has not been met or it is clear that a financial obligation will not be met in the near future or a debt instrument has been subject to a distressed exchange. A downgrade to D may not immediately follow an insolvency or restructuring filing as grace periods or extenuating circumstances may exist.

DBRS is established in the European Union and registered under Regulation (EC) No 1060/2009.

- (v) in the Annex of the Final Terms which contains the Issue Specific Summary, the paragraph headed “**Credit Ratings**” in section B.17 on page 16 shall be amended to read as follows:

B.17	Credit ratings	<p>The Instruments are expected to be rated on or about the Issue Date by Moody’s Deutschland GmbH (“Moody’s”) or DBRS Ratings Limited (“DBRS”). The rating of the Instruments on or about the Issue Date will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website www.it.investmentprodukte.db.com on or about the Issue Date. No assurance is given that the Instruments will have a particular rating, or any rating at all, on or about the Issue Date.</p> <p>Moody’s and DBRS are established in the European Union and registered under Regulation (EC) No 1060/2009 on credit rating agencies.</p>
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- (vi) in the Annex of the Final Terms which contains the Issue Specific Summary, the paragraph headed “*Issue Date and Interest Payment Dates*” in section C.9 (Interest/ Redemption) on page 23 shall be amended to read as follows:

“Issue Date and Interest Payment Dates

The Issue Date and the Interest Payment Dates for the Instruments will be 26 March 2013 and 14 September in each year up to and including the Maturity Date (and such Interest Payment Dates are adjusted in accordance with the Business Day Convention), respectively.”.

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