

This document constitutes a base prospectus (the "**Base Prospectus**") for the purpose of Art. 8 (1) of Regulation (EU) 2017/1129, in the version valid at the date of the Base Prospectus, (the "**Prospectus Regulation**" and "**PR**"). The Base Prospectus relates to the Credit Linked Securities (the "**Securities**") issued from time to time by UniCredit Bank AG ("**HVB**", "**UniCredit Bank**" or the "**Issuer**") under the Euro 7,000,000,000 Credit Linked Securities Programme (the "**Programme**").



## **UniCredit Bank AG**

**Munich, Federal Republic of Germany**

### **Base Prospectus**

**for the issuance of**

### **Credit Linked Securities**

**under the Euro 7,000,000,000 Credit Linked Securities Programme**

**3 December 2020**

This Base Prospectus has been approved by the Commission de Surveillance du Secteur Financier ("**CSSF**") as the competent authority under the PR. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the PR. Such approval shall not be considered as an endorsement of the Issuer and of the quality of the Securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the issuer pursuant to Article 6(4) of the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*).

Under this Base Prospectus the Issuer may issue new Securities under the Programme or increase the issuing volume of Securities which have already been issued. The Issuer may apply for the admission to trading of Securities on a regulated market, third country market, a multilateral trading system and/or another exchange or another market and/or trading system for Securities.

**The validity of the Base Prospectus ends on 3 December 2021. From this point in time, the obligation to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.**

The information on any website included in the Base Prospectus, except for the websites specified herein in the context of the documents incorporated by reference, do not form part of the Base Prospectus and has not been scrutinised or approved by the CSSF.

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### 1. GENERAL DESCRIPTION OF THE PROGRAMME

#### 1.1 Content of the programme

The UniCredit Bank AG (the "**Issuer**") continuously and repeatedly issues credit linked securities (hereinafter also referred to as the "**Securities**") under its Euro 7,000,000,000 Credit Linked Securities Programme (the "**Programme**") pursuant to German law. The establishment of the Programme and the issuance of the Securities under the programme were duly authorised by the management board of HVB in the year 2011.

#### 1.2 Overview of the Securities described in this Base Prospectus

The Securities may reference one or more Reference Entity(ies). The following Product Types are described in this Base Prospectus:

- Reference Entity is a single corporate (Product Type 1).

In this situation, you bear the credit risk of the Issuer and the credit risk of the corporate.

The payments of interest and redemption of the Securities depend on the respective credit risks.

- Reference Entity is a single sovereign (Product Type 2).

In this situation, you bear the credit risk of the Issuer and the credit risk of that sovereign.

The payments of interest and redemption of the Securities depend on the respective credit risks.

- Reference Entity is a single financial institution (Product Type 3).

In this situation, you bear the credit risk of the Issuer and the credit risk of this financial institution.

The payments of interest and redemption of the Securities depend on the respective credit risks.

- The Reference Entities are multiple corporates (Product Type 4).

In this situation, you bear the credit risk of the Issuer and the credit risk of each individual corporate.

The payments of interest and redemption of the Securities depend on the respective credit risks. This means: A Credit Event can occur separately for each of the Reference Entities. The amount of the interest payments and redemption payments is reduced proportionately with each Credit Event.

## 1. General Description of the Programme

- The Reference Entities are multiple sovereigns (Product Type 5).

In this event, you bear the credit risk of the Issuer and the credit risk of each individual sovereign.

The payments of interest and redemption of the Securities depend on the respective credit risks. This means: A Credit Event can occur separately for each of the Reference Entities. The amount of the interest payments and redemption payments is reduced proportionately with each Credit Event.

- The Reference Entities are multiple financial institutions (Product Type 6).

In this situation, you bear the credit risk of the Issuer and the credit risk of each individual financial institution.

The payments of interest and redemption of the Securities depend on the respective credit risks. This means: A Credit Event can occur separately for each of the Reference Entities. The amount of the interest payments and redemption payments is reduced proportionately with each Credit Event.

For all Product Types, a total loss of the purchase amount paid to purchase the Securities is possible.

### **Comment on this point:**

- The amount paid to purchase the Securities includes here and below all costs related to the purchase.
- A Credit Event is only considered to occur in the following circumstances: the Issuer has knowledge of the occurrence of a Credit Event with respect to a Reference Entity on the basis of publicly available information. All Requirements for the Occurrence of a Credit Event have to be fulfilled in relation to the relevant Reference Entity(ies).

A more detailed description of how the Securities function can be found in section "6. *Description of the Securities*" on page 55 et seq. of this Base Prospectus. It is highly recommended to read the risk factors regarding the Issuer and the Securities in section "2. *Risk Factors*" on pages 11 et seq. thoroughly at the same time. An investment in the Securities is only suitable for investors, who understand the nature of such Securities and the extent of the incorporated risks and who have sufficient knowledge, experience and access to professional advisors (including their financial, accounting, legal and tax advisors) in order to form their own legal, tax, accounting and financial opinion upon the existing risks in relation to the Securities.

### **1.3 Further information on the Securities, public offering and trading**

The Securities will be issued as debt instruments in bearer form (*Inhaberschuldverschreibungen*) pursuant to § 793 BGB. They will be represented by a global bearer note. No definitive notes will be issued. Therefore, you need a securities account at a bank to purchase the Securities.



## 1. General Description of the Programme

The Issuer intends to publicly offer the Securities to private clients, institutional investors and/or other qualified investors in Croatia, Luxembourg and Poland.

For Securities under this Base Prospectus an application can be made for admission to trading on a securities exchange and/or any other trading system in Croatia, Luxembourg and Poland.

You can find additional information regarding the Securities, the public offering and trading of the Securities in section "6. *Description of the Securities*" on page 55 et seq. of this Base Prospectus.

### 1.4 Information on the Base Prospectus and the Final Terms

The Issuer has prepared and published this Base Prospectus for credit linked securities (the "Base Prospectus"). A detailed description of this Base Prospectus, in particular its structure and function, can be found in section "3. General Description of the Base Prospectus".

Individual, final terms of the offer (the "**Final Terms**") will be prepared for the Securities. They will contain the information which can only be determined as of the point in time of the respective issuance of Securities under this Base Prospectus. A detailed description of the Final Terms, can be found in section "9. *Form of Final terms*" on page 379.

### 1.5 Information on ISDA conditions and ISDA auction proceedings

The Conditions of Credit Linked Securities are based on standards for certain financial instruments. These are financial instruments which depend on the occurrence of a credit event with respect to one or more Reference Entities ("**Credit Derivatives**"). These standard terms are referred to as the "**ISDA Credit Derivatives Definitions**". They were published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") in the year 2014 (the "**ISDA Terms**").

ISDA is a private trading organization. It represents its members in the derivatives market. Members are large institutions as well as privately held and state-owned companies worldwide which trade with derivative financial products referenced to specific underlyings. ISDA has developed the ISDA Terms in concurrence with the members and other participants in the market. The ISDA Terms are subject to English law or the law of the State of New York. The ISDA Terms are not published for everyone on the website of ISDA. They can only be obtained in the English language for a charge.

The uniform application of the ISDA Terms is supported by announcements and protocols agreed between ISDA and the market participants (the "**ISDA Statements**"). The ISDA Terms are also applied in resolutions by the "**ISDA Determination Committee**". The members of this body are traders and purchasers of Credit Derivatives. The ISDA Determination Committee serves the purpose of making decisions in connection with the ISDA Terms uniformly for the worldwide credit derivatives market.

Upon the occurrence of a Credit Event with regard to a Reference Entity, ISDA can proceed as follows when applying the ISDA Terms. ISDA conducts an auction which relates to the relevant

## **1. General Description of the Programme**

Reference Entity and its Obligations. The ISDA Determination Committee selects for this purpose Obligations of the Reference Entity. In the course of the auction, market participants submit offer and selling prices with regard to these selected Obligations of the Reference Entity. Selected Obligations can be e.g. certain bonds of the Reference Entity. The parameters of the auction proceedings are determined by the ISDA Determination Committee (so-called auction settlement terms). The Auction Final Price determined in the ISDA auction in accordance with the ISDA Terms is the basis for the settlement of Credit Derivatives which are subject to the ISDA Terms.

## 2. RISK FACTORS

The purchase of Credit Linked Securities described in this Base Prospectus involves risks for the Security Holder.

In the following section, the specific risk factors related to the Issuer (see section "*2.1 Specific material risks relating to the Issuer*" on page 11) and the Securities (see section "*2.2. Specific material risks relating to the Securities*" on page 11), which are material, are described.

These risk factors are presented in risk categories depending on their nature. In each risk category, the most material risk factors, according to the assessment of the Issuer, are described first. Apart from that the assessment of materiality of the risk factors has been made by the Issuer as of the date of this Base Prospectus on the basis of the probability of their occurrence and the expected magnitude of their negative impact. The magnitude of the negative impact of each of the below risk factors on the relevant Securities is described by reference to the magnitude of potential losses of the invested capital (including a potential total loss), the incurrence of additional costs in relation to the Securities or limitations of returns on the Securities. An assessment of the probability of the occurrence of risks and the magnitude of the negative impact also depends on the relevant Reference Entity, the relevant parameters with regard to the Product Type set out in the relevant Final Terms and the circumstances existing as of the date of the relevant Final Terms.

### 2.1 Specific material risks relating to the Issuer

The risk factors related to the Issuer as set out on pages 4 to 10 of the Registration Document of the Issuer dated 20 May 2020 (the "**Registration Document**") are hereby incorporated by reference into this Base Prospectus. A list setting out all information incorporated by reference is provided in section "*11.3 Information incorporated by reference into this Base Prospectus*" on pages 393 et seq.

### 2.2 Specific material risks relating to the Securities

In the following section, the specific material risk factors relating to the Securities are described.

The following risk factors are presented in five risk categories (section "*2.2.1 Specific risks resulting from the type of the Securities*", "*2.2.2 Specific risks with regard to the payment of interest and redemption of the Securities*", "*2.2.3 Risks with regard to the Reference Entity*", "*2.2.4 Specific further risks resulting from the terms of the Securities*" and "*2.2.5 Specific risks in connection with the price determination and trading of the Securities*") depending on their nature. In each risk category, the most material risk factor is described first.

All Securities issued under this Base Prospectus share the characteristic, that the Security Holder may incur a **total loss** with respect to the capital amount spent.

### 2.2.1 Specific material risks resulting from the type of the Securities

In this risk category, the specific risks associated with the rank and characteristic of the Securities are described. The most material risk factor in this category, according to the assessment of the Issuer, is described first:

**(a) *Insolvency risk and risks in relation to resolution measures in relation to the Issuer***

**As a Security Holder, you bear the risk of the insolvency of the Issuer. Moreover, Security Holders may become subject to resolution measures in relation to the Issuer if the Issuer is failing or likely to fail.**

The Issuer, as part of the internationally active UniCredit group of banks, is subject to a variety of risks (see section "2.1 *Specific material risks relating to the Issuer*" on page 11). Insolvency risk means: The Issuer is unable, or only partially able to fulfil its obligations resulting from the Securities or it is unable to do so when they become due. This may occur when the Issuer becomes insolvent or overindebted.

In case insolvency proceedings are opened against the Issuer, you can only assert your claims pursuant to the German Insolvency Code (*Insolvenzordnung*). You will in that case receive an amount which is determined pursuant to the insolvency ratio (*Insolvenzquote*). This amount will regularly be nowhere near the amount you paid for the purchase of the Securities.

Due to its status as a CRR credit institution<sup>1</sup> legal provisions included in

- the European Regulation (EU) No 806/2014 ("**SRM**"), and
- the German Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**SAG**"),

afford the authorised resolution authority the right to implement certain resolution measures against the Issuer. These measures can be detrimental to your interests.

The resolution authority is the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**"). The resolution authority may, in certain cases which are set out in the SAG, convert your claims resulting from the Securities into shares in the Issuer (e.g. stocks). In that case, you bear the same risks as any shareholder of the Issuer. In such a situation, the price of the Issuer's shares will have regularly fallen dramatically beforehand. This means that you will most likely incur a loss under these circumstances.

The Nominal Amount of the Securities as well as any interest may be completely or partially reduced. In that case, you will receive a lower or no repayment of the capital amount spent for the purchase of the Securities. It is also possible that you receive lower or no interest payments.

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<sup>1</sup> Within the meaning of section 1 para. 3d sent. 1 of the German Banking Act. "**CRR**" means the European Capital Requirements Regulation (EU) No 575/2013.

The resolution authority may also amend the Terms and Conditions. It may for example postpone the redemption of the Securities. In that case, you will receive the redemption payments under the Securities at a later point in time than originally scheduled.

The prerequisites for a resolution are met under the SAG when the resolution authority determines that the Issuer is failing or is likely to fail.

In case the resolution authority exercises any resolution measures, you bear the risk of losing your claims resulting from the Securities. This pertains in particular to your claims for payment of the Redemption Amount or payment of interest or other payments under the Securities. This means that there is a substantial risk of loss for you, including a **risk of total loss**.

The German Credit Institution Reorganisation Act (*Kreditinstitute-Reorganisationsgesetz* – "**KredReorgG**"), which applies to the Issuer, also enables the BaFin to intervene in claims of Security Holders resulting from the Securities issued under this Base Prospectus. This will happen as part of a reorganisation proceeding. These measures may include the reduction of claims of the Security Holders arising from the Securities as well as the suspension of payments. You bear the risk of losing your claims resulting from the Securities.

If there is a threat regarding the fulfilment of the obligations of the Issuer, BaFin can take certain measures. This includes a temporary decree which prohibits further payments by the Issuer. For the duration of the prohibition of payments, you cannot claim any payments resulting from the Securities from the Issuer.

Insolvency of the Issuer or the exercise of any resolution measures or other sovereign interventions against the Issuer is associated with considerable risks for you. This means that there is a substantial risk of loss for you, including a **risk of total loss**.

### ***(b) No deposit protection and no compensation scheme***

**The Obligations of the Issuer under the Securities are not secured, guaranteed by third parties or protected by any special measures.**

The obligations of the Issuer resulting from the Securities are not secured. They are also not protected through any deposit protection or compensation scheme. There are also no other guarantees or assurances from a third party for the obligations of the Issuer.

Therefore in case of insolvency of the Issuer, the following applies: You are not protected from the complete loss of the amount you have paid for the purchase of the Securities.

### **2.2.2 Specific material risks with regard to the payment of interest and redemption of the Securities**

In this risk category, the specific risks with regard to the payment of interest and redemption of the Securities are described. The most material risk factors in this category are described first:

### (a) *Interest and Redemption depend on Credit Events*

In this section, the specific risks with regard to the payment of interest and redemption of the Securities depending on Credit Events are described for each Product Type. Accordingly, the risks arising from the Product Types are described separately for specific Product Types. The probability that these risks will materialize is largely dependent on the parameters set out in the Final Terms. Examples for such parameters: the Reference Entity and the Observation Period. You should always consider the parameters defined in the Final Terms when assessing the risks.

**An investment in the Securities issued under this Base Prospectus involves substantial risks for you. Upon acquiring the Securities, you bear the insolvency risk of the Issuer and the risk of the occurrence of a Credit Event with respect to the Reference Entity. This can have an effect on the redemption and interest for the Securities. A total loss of the amount you paid for the purchase is possible.**

Risks in relation to the Reference Entity can be found in section "2.2.3 *Specific material risks with regard to the Reference Entity*" on page 24.

#### (A) **Securities with one Reference Entity (Product Types 1, 2 and 3)**

**Your risk with respect to the Securities does not only consist of the fact that the Issuer cannot make payments when the Securities become due.**

**You also bear the risk that the credit standing of the Reference Entity deteriorates. This may have the result that the Reference Entity can no longer comply with its payment obligations. A so-called Credit Event may occur with regard to the Reference Entity. In this event, interest of the Securities will cease and the redemption amount of the Securities will be reduced and might even be zero.**

This means specifically the following:

#### *Interest after the occurrence of a Credit Event*

The interest of the Securities stops upon the occurrence of the Credit Event starting with the point in time set forth in the Final Terms. If the Credit Event occurs prior to the first Interest Payment Date, you may even not receive any interest for your Securities.

#### *Redemption after the occurrence of a Credit Event*

If a Credit Event has occurred with respect to a Reference Entity, this also has substantial effects on the redemption of your Securities. After the publication of the Credit Event Notice, the Nominal Amount of the Securities will not be repaid on the Scheduled Maturity Date. Instead, you will receive the Credit Event Redemption Amount on the Settlement Date. The Credit Event Redemption Amount is normally well below the Nominal Amount of the Securities and might even be zero (0). In the latter case, you will not receive any redemption. The Settlement Date can fall before or after the Scheduled Maturity Date.

The Credit Event Redemption Amount is determined and depends on how the Obligations of the Reference Entity are valued in ISDA auction proceedings or in the reasonable discretion of the Issuer.

Example:

Nominal Amount: EUR 10,000.

Assumption: ISDA auction proceedings take place.

The Credit Event Redemption Amount is determined on the basis of the Auction Final Price for the Obligations of the Reference Entity.

Auction Final Price: 8%

Credit Event Redemption Amount: EUR 800 (8% of EUR 10,000).

The Credit Event Redemption Amount (EUR 800) is paid to you as soon as it has been determined.

The Credit Event Redemption Amount can also be reduced as a result of deduction of a Swap Unwind Amount of the Issuer. The deduction of the Swap Unwind Amount can lead to a total loss of the amount paid for the purchase, although, the Securities have a positive Credit Event Redemption Amount.

Upon the occurrence of a Credit Event, the probability is large that you will only receive a small portion of the amount you paid for the purchase. You will also incur losses of interest with regard to interest that has not yet been paid. This can lead to a **total loss** of the amount you paid for the purchase.

**(B) Securities with multiple Reference Entities (Product Types 4, 5 and 6)**

**Your risk with respect to the Securities does not only consist of the fact that the Issuer cannot make payments when they become due.**

**You also bear the risk that the credit standing of one or more Reference Entities deteriorates. This may have the result that the respective Reference Entity can no longer comply with its payment obligations. A so-called Credit Event may occur with regard to the relevant Reference Entity. In this event, there can be a reduction of both the interest as well as the redemption of the Securities.**

This means specifically the following:

*Weighted Amount and Reduced Nominal Amount*

In order to be able to evaluate the effective Credit Events in the case of Securities with multiple Reference Entities, you have to pay attention to the following:

A Weighted Amount applies for each Reference Entity in the case of Securities with multiple Reference Entities. Since the weightings of the individual Reference Entities are equal, the Weighted Amount of the individual Reference Entity corresponds to the weighted share in the Nominal Amount.

Example:

Nominal Amount: EUR 10,000.

In the case of two Reference Entities, the Weighted Amount for each Reference Entity is EUR 5,000.

In the case of four Reference Entities, the Weighted Amount attributable to each Reference Entity is EUR 2,500.

The Credit Event Redemption Amount can also be reduced by deduction of a Swap Unwind Amount of the Issuer. The deduction of the Swap Unwind Amount can lead to a total loss of the amount paid for the purchase, although the Securities have a positive Credit Event Redemption Amount.

After the occurrence of a Credit Event with respect to one or more Reference Entities, the following applies: The Reduced Nominal Amount is the basis for calculating the future interest as well as all repayable amounts. The Reduced Nominal Amount corresponds to the Nominal Amount minus the Weighted Amounts for those Reference Entities where a Credit Event has occurred.

Example:

Nominal Amount: EUR 10,000.

Assumption: A Credit Event has occurred at one of four Reference Entities.

The Reduced Nominal Amount is EUR 7,500 (EUR 10,000-EUR 2,500).

*Interest after the occurrence of a Credit Event*

The interest on the Securities is reduced after the occurrence of a Credit Event starting at the point in time designated in the Final Terms.

Example:

Nominal Amount: EUR 10,000. Redemption and Interest Payments on the Securities depend on the credit standing of four Reference Entities. The Weighted Amount for each Reference Entity is then EUR 2,500.

Assumption: Occurrence of a Credit Event for one Reference Entity.



Initially the Reduced Nominal Amount is determined: EUR 10,000 minus Weighted Amount for the Reference Entity affected by the Credit Event (EUR 2,500). The Reduced Nominal Amount is EUR 7,500.

The interest payments on the Interest Payment Dates after the occurrence of the Credit Event are determined on the basis of the Reduced Nominal Amount (EUR 7,500). They are accordingly reduced by 25%.

If a Credit Event occurs with respect to all Reference Entities prior to the first Interest Payment Date, you may even not receive any interest for your Securities.

### *Redemption after the occurrence of a Credit Event*

If a Credit Event has occurred with respect to one or more Reference Entities, this also has substantial effects on the redemption of your Securities. After the publication of the Credit Event Notice, the Nominal Amount of the Securities will no longer be repaid on the Scheduled Maturity Date. Instead, you will receive the following payments:

- You receive the Reduced Nominal Amount on the Scheduled Maturity Date.
- You receive on the respective Settlement Date the Credit Event Redemption Amount for each Reference Entity affected by a Credit Event. The Credit Event Redemption Amount for the relevant Reference Entity is determined on the basis of its Weighted Amount. The respective Settlement Date can fall before or after the Scheduled Maturity Date. The Credit Event Redemption Amount is normally well below the Weighted Amount. It can even be valued at zero (0). The Credit Event Redemption Amount is determined according to how the Obligations of the Reference Entity are value in any ISDA auction proceedings or in the reasonable discretion of the Issuer.

### Example:

Nominal Amount: EUR 10,000. Redemption and Interest Payments on the Securities depend on the credit standing of four Reference Entities. The Weighted Amount for each Reference Entity is then EUR 2,500.

Assumption: Occurrence of a Credit Event for one Reference Entity. ISDA auction proceedings take place.

Initially the Reduced Nominal Amount is determined: EUR 10,000 minus Weighted Amount for the Reference Entity affected by the Credit Event (EUR 2,500). The Reduced Nominal Amount is EUR 7,500.

The Credit Event Redemption Amount for the Weighted Amount for this affected Reference Entity is then determined. The basis for this is the Auction Final Price.

Auction Final Price: 8%

Credit Event Redemption Amount: EUR 200 (8% of EUR 2,500).

The Credit Event Redemption Amount (EUR 200) is paid to you as soon as it has been determined. You receive the Reduced Nominal Amount (EUR 7,500) on the Scheduled Maturity Date.

The Interest Payments on the Interest Payment Dates after the occurrence of the Credit Event are determined on the basis of the Reduced Nominal Amount (EUR 7,500). They are accordingly reduced by 25%.

The Credit Event Redemption Amount can also be additionally reduced by deduction of a Swap Unwind Amount of the Issuer. The deduction of the Swap Unwind Amount can also lead to a total loss of the amount paid for the purchase, although the Securities have a positive Credit Event Redemption Amount.

If a Credit Event occurs, you will very probably only receive a fraction of the amount you paid for the purchase. You will also incur interest losses with regard to the interest that has not yet been paid. This can lead to a total loss of the amount you paid for the purchase if a Credit Event occurs for all Reference Entities.

***(b) Risks in connection with the determination of the Credit Event Redemption Amount***

**The Credit Event Redemption Amount is normally determined by reference to the results of an auction procedure conducted by ISDA. If there is no such auction, the Issuer makes the determination. The Issuer will select the lower value of the result of an auction or an obligation to be valued which has the lowest price, as applicable in the individual case. Your loss of principal after a Credit Event depends on these determinations of the Credit Event Redemption Amount. There can be delays in determining the Credit Event Redemption Amount.**

The calculation of the Credit Event Redemption Amount to be paid after a Credit Event at a Reference Entity is made at the so-called Final Price. This corresponds normally to the Auction Final Price determined in the context of ISDA auction proceedings. The Auction Final Price can be lower than the market value of bonds of the Reference Entity on the secondary market for such bonds.

ISDA can carry out multiple ISDA auction proceedings with regard to a Reference Entity which is not a country. If ISDA does so, there are multiple Auction Final Prices available for determining the Final Price. You must be aware that the lowest of these Auction Final Prices is the Final Price for the purposes of the Securities. As a Security Holder, you have no right to be involved in the ISDA auction proceedings.

You should be aware that the Issuer itself determines the necessary Final Price if no ISDA auction proceedings take place. In these situations, the Issuer proceeds as follows: The Issuer chooses, in its discretion, an obligation of the relevant Reference Entity which is supposed to be used as a

Valuation Obligation. The prerequisite is that this obligation satisfies the specific features for Valuation Obligations set forth in the Conditions. If multiple Obligations have these features, the obligation of the Reference Entity with the lowest price (*cheapest to deliver*) is the Valuation Obligation.

The Credit Event Redemption Amount can also be reduced additionally by the deduction of a Swap Unwind Amount of the Issuer. The deduction of the Swap Unwind Amount can lead to a total loss of the amount paid for the purchase, although the Securities have a positive Credit Event Redemption Amount.

Please, also be aware that Obligations of the Reference Entity are also most likely completely or partially lost after a Credit Event. This means: The Obligations of the Reference Entity are no longer paid by the Reference Entity. Under these circumstances, these "distressed" Obligations are traded and valued with corresponding deductions. This means that they are traded at a price which is very substantially below the price of the Obligations prior to the Credit Event.

Please also be aware that an obligation of the Reference Entity can exist in a currency other than the Euro. This currency risk can have a negative effect in ISDA auction proceedings or when the Issuer determines the Final Price.

In the case of a country or a financial institution as the Reference Entity, the Final Terms also provide as follows for determining the Credit Event Redemption Amount:

Assets will be used which replace Obligations of the Reference Entity after a restructuring or Governmental Intervention as a result of conversion or exchange. This also applies if the Credit Event mentioned in the Credit Event Notice is a different Credit Event, for example, a Failure to Pay. The value of these assets can be substantially below the value of other Obligations of the Reference Entity and can even be zero (0).

This means with regard to the Credit Event Redemption Amount of the Securities which you receive on the Settlement Date the following in the case ISDA auction proceedings take place:

Assumption: The market participants submit ask and bid prices in the ISDA auction proceedings. This leads to a result in the auction of 8% of the nominal value of the Obligations of the Reference Entity. The Auction Final Price (and, thus, the Final Price for the calculation of the Credit Event Redemption Amount) is 8%.

This means that the Securities will no longer be redeemed at their Nominal Amount of EUR 10,000 and instead will only be redeemed at EUR 800.

Assumption: The participants in the ISDA auction proceedings value the probability that the Reference Entity will pay its Obligations at zero (0). In this event, the Credit Event Redemption Amount is EUR 0. You then retain only the interest that has been paid to you on the Interest Payment Dates. If no interest was paid on the Securities prior to the occurrence of the Credit Event, you even suffer a **total loss**.

**Therefore, you bear the following risk: After the occurrence of a Credit Event, you receive a Credit Event Redemption Amount. Experience shows that this is well below 100% of the Nominal Amount of your Note. In our example, this is EUR 800 instead of EUR 10,000. Under certain circumstances, you can even incur a total loss.**

The determination of the Final Price may in case of a financial institution also be based on so called senior non-preferred debt obligations, which rank in case of a bankruptcy after protected deposits and unsecured senior liabilities of the Reference Entity. You should take into account that the price of a senior non-preferred debt obligation may be substantially lower than the market value of other senior liabilities of the Reference Entity.

You should be aware that the date on which the Credit Event Redemption Amount is determined can be a long time after the Credit Event. This delay can even be months. The time of payment of the Credit Event Redemption Amount to you is accordingly deferred. The Issuer is not required to pay additional interest to you for the period of the delay.

***(c) Deferral of payments upon suspicion of the occurrence of a Credit Event***

**It can take a long time until the Issuer has determined a Credit Event. Therefore, you bear the risk that payments on the Securities will be deferred by the Issuer. The deferral of payments can last up to one year and five Banking Days.**

This can affect both interest as well as the redemption of the Securities. Deferrals are possible if it is not clear at the time of payment whether the Requirements for the Occurrence of a Credit Event exist.

Example:

- The Issuer is waiting to see the resolution of the ISDA Determination Committee with regard to the existence of a Credit Event.
- Where the Credit Event Repudiation/Moratorium applies: A deferral in payment occurs when a Credit Event threatens on the basis of a corresponding announcement. The determinative, outstanding payment obligation of the Reference Entity, however, is not yet due and could still be fulfilled.
- When considering a grace period in the case of a Credit Event Failure to Pay: A deferral of payment occurs when a Credit Event threatens on the basis of a corresponding failure to pay. The determinative, outstanding payment obligation of the Reference Entity is due, but it still could be fulfilled.

If the Requirements for a Payment Deferral exist, the Issuer has the following possibilities: The Issuer can pay the Interest Amount becoming due after the relevant Interest Payment Date, and the Issuer can defer the redemption of the Nominal Amount.

Deferred payments of interest occur at the latest on the Deferred Interest Payment Date or the Deferred Redemption Date. The deferred redemption of the Nominal Amount occurs at the latest on the Deferred Redemption Date. The Issuer is not required to pay to you interest or other amounts for the period of the deferral.

***(d) Risks with regard to the scheduled interest payments when a Credit Event does not occur***

**You have the risk during the term of the Securities that the value of the Securities will fall when market interest rates increase.**

In the case of Securities with a fixed Interest Rate or a set-up Interest Rate, you bear the following risk: The value of the Securities can fall as a result of changes in the market interest rate. The current market interest rate in the capital market changes continuously. If the market interest rate in the capital market increases, the value of the Securities falls. If you sell the Securities in a phase of increasing market interest rates, the proceeds from the sale can be well below the Nominal Amount of the Securities. If the price at which you sell the Securities is below the amount you have paid for the purchase, you incur a loss.

**You have the risk during the term of the Securities that levels of Reference Rates of the Securities fall or that Reference Rates change or disappear.**

In the case of Securities with a floating Interest Rate linked to a Reference Rate you bear the following risks:

*Fluctuations in level*

**You can receive lower payments of interest under the Securities if the value of the Reference Rate has developed adversely.**

You are particularly exposed to the risk of fluctuating interest rates. Fluctuating interest rates make it impossible to determine in advance the return of Securities with floating interest rates.

The development of the Reference Rate is influenced by a large number of factors such as:

- supply and demand on the international money and capital markets,
- economic and macro-economic influences,
- measures taken by central banks and governments, as well as
- politically motivated factors.

*Risks related to the cessation of publication of the Reference Rate*

**The final cessation of the publication of the Reference Rate may lead to an adjustment of the Conditions of the Securities. The Securities can also be terminated.**

It cannot be ruled out that publication of a Reference Rate will be discontinued. In particular, regulatory requirements (in particular in respect to the regulation of so-called Benchmarks) may result in a Reference Rate not being available for the entire term of the Securities.

Such an event can entitle the Issuer in particular to extraordinarily terminate the Securities (with respect to the associated risks see section "2.2.4(a) Risk ").

### *Risks related to the calculation of the Reference Rate*

**Changes, errors or manipulation in the calculation of a Reference Rate may have a material adverse effect for you with respect to the Reference Rate.**

The rules for a Reference Rate can be subject to changes from time to time. This may be the case, for example, due to regulatory requirements (in particular for the regulation of so-called Benchmarks). In particular, such changes may result in the method by which the Reference Rate is determined no longer being comparable to the method used before the adjustment. Such a change could, for example, affect the source of so-called input data. A change to the rules for a Reference Rate may have a substantial adverse effect for you with regard to the Reference Rate.

Moreover, it cannot be excluded that the determination or disclosure of Reference Rates may be subject to inaccuracies or even manipulation by the persons responsible for their determination and/or disclosure or by other market participants. Such inaccuracies or manipulations are difficult or impossible to detect for third parties and may have a material adverse effect on the price of the Reference Rate for you.

### *Regulation of benchmarks*

**There is the risk that the regulation of Reference Rates leads to an adjustment of the Terms and Conditions of the Securities. Early termination of the Securities is also possible.**

An Underlying or the Reference Rate may be a so-called benchmark (the "**Benchmark**") within the meaning of the Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

According to the Benchmark Regulation, the Issuer may use a Benchmark as the Underlying or Reference Rate of the Securities only if its administrator (the "**Benchmark Administrator**") or the Benchmark itself is entered in a public register. Exception: The Transitional Period (as defined below) under the Benchmark Regulation has not yet expired. In general, the "**Transitional Period**" ended on 31 December 2019. However, for existing Benchmarks which have been recognised by the European Commission as critical benchmarks as well as for certain Benchmarks which are provided by a Benchmark Administrator located in a third country the Transitional Period ends on 31 December 2021. This means: There is a risk that a Benchmark for which the aforementioned condition has not yet been met or is no longer met when a Security is issued may no longer be used as its Underlying or Reference Rate after the end of the Transitional Period.

Moreover, the Benchmark Regulation may make it necessary to modify the methodology or other provisions of a Benchmark in order to allow it to continue to be provided or used. As a result of

such a measure, the Benchmark may change significantly. Such a change may, in particular, have an adverse effect on the risk profile of the Benchmark and its future performance.

The Benchmark Regulation leads to an increase in the regulatory requirements and controls with regard to the Benchmarks. This may increase the costs and risks associated with the management of such Benchmarks. Other currently unforeseeable effects on the calculation of Benchmark are also conceivable. This may, for example, include the discontinuation of the calculation and publication of a Benchmark as a consequence of the Benchmark Regulation.

The impermissibility of using a Benchmark, the cessation of the Benchmark or a material change in its calculation or publication can entitle the Issuer to adjustments to the Conditions of the Security (see section "B.3.c) Risks arising from Adjustments to the Conditions of the Securities"). In this case in particular the original Reference Rate may be replaced by another Reference Rate.

Early termination of the Securities is also possible (see section "2.2.4(a) Risk arising from extraordinary termination of the Securities").

Furthermore, a termination of the listing or trading of the Securities on an exchange cannot be excluded. You could be subject in this situation to the risk of lack of trading or trading with limited liquidity in the Securities (see section "2.2.5(b) Liquidity risk").

### *(e) Foreign currency risk*

**In the case of Securities issued in foreign currencies, there is a foreign currency risk.**

Currency exchange rates in the international currency markets are determined by supply and demand. Supply and demand can be influenced by the following factors, among others: macro-economic factors, political factors (including currency controls and restrictions), actions by central banks and governmental agencies as well as speculation by the participants in the market.

If the Securities have been issued in a currency ("**Foreign Currency**"), other than the currency of the jurisdiction where you are domiciled or where you seek to receive funds, you are subject to the risk of strongly fluctuating currency exchange rates, in addition to the other risks. This applies both during the term of the Securities as well as at the end of the term.

The foreign currency risk exists especially in the following situation: Your account to which the amounts of money paid under the Securities are credited is maintained in a currency that is different from the currency of the Securities. The conversion of the relevant amount into the currency of the account can be at a disadvantageous currency exchange rate at the relevant point in time.

Currencies can also be devalued or replaced by another currency, the development of which cannot be foreseen.

*(f) No recourse against the Reference Entity*

**The Securities do not establish any legal relationship between you and the respective Reference Entity. The Securities are neither guaranteed nor otherwise secured by the respective Reference Entity.**

If a Credit Event occurs, you have no claims for damages or other claims against the relevant Reference Entity. You also do not benefit from any positive developments at the relevant Reference Entity after the occurrence of a Credit Event. Especially the consequences from the occurrence of a Credit Event described in the Conditions cannot be reversed. In the case of a Restructuring, you do not participate in the restructuring process. You are especially not entitled to completely or partially challenge the restructuring process. An investment in the Securities possibly involves a higher risk than e.g. a direct investment in bonds of the Reference Entity.

**2.2.3 Specific material risks with regard to the Reference Entity**

In this risk category, the specific risks with regard to the Reference Entity are described. The most material risk factors in this category are described first:

*(a) Credit risk and Development of the credit standing of a Reference Entity*

**As a Security Holder, you bear the credit risk of the Reference Entity. You bear the risk that the future economic development of the Reference Entity will deteriorate.**

An investment in the Securities involves substantial risks. The reason: You **additionally** bear the credit risk of the Reference Entity(ies). The risk under the Securities is accordingly substantially higher than in the case of a comparable investment in fixed or floating interest securities. The interest and redemption of the Securities depends on whether a Credit Event occurs at one or more Reference Entity(ies).

Credit Events, from the point of view of the creditors of the respective Reference Entity, designate the occurrence or the threatening occurrence of various economically adverse circumstances. They are accordingly an expression of a material, negative development of the credit standing of the Reference Entity.

There are various Credit Events for the Reference Entity. They include:

- If a company is the Reference Entity:
  - the Insolvency of the Reference Entity,
  - the Failure to Pay an Obligation of the Reference Entity, or
  - the Restructuring of an Obligation.
- If a country is the Reference Entity:
  - the Failure to Pay an Obligation,



- the Reputation/Moratorium of an Obligation, or
- the Restructuring of an Obligation.
- If a financial institution is the Reference Entity:
  - the Insolvency of the Reference Entity,
  - the Failure to Pay and the Obligation by the Reference Entity,
  - the Restructuring of an Obligation, or
  - Governmental Intervention related to the substance of Obligations of the Reference Entity.

Please note that a change in currency or the exit from the Euro can constitute a Credit Event for a Reference Entity. That is the case if the change in currency reduces the duties of the Reference Entity under its Obligations.

A Credit Event is determinative with regard to the Securities if the Issuer publishes a corresponding Credit Event Notice. The Conditions establish the periods of time for the occurrence of a Credit Event and the publication of a Credit Event Notice by the Issuer.

Conclusions about the future (economic) development of the respective Reference Entity cannot be drawn from the past (economic) development of that Reference Entity. This also applies for the past development of comparable companies, financial institutions or countries. Therefore, you have uncertainty with regard to the future (economic) development of the respective Reference Entity. Statistics about failures in the past may not take into account the events which constitute Credit Events for your Securities.

After the occurrence of a Credit Event with regard to the Reference Entity, subsequent positive (economic) developments of the Reference Entity do not benefit you. Especially the consequences of the occurrence of a Credit Event cannot be reversed. You should accordingly assume the following: An investment in the Securities can involve a higher risk than e.g. a direct investment in bonds of the Reference Entity.

Furthermore, an event can occur which has a negative effect on the credit standing of the relevant Reference Entity. Even if this does not lead to the occurrence of a Credit Event, the price of the Securities can decrease. If you sell your Securities at this point in time in the secondary market, you can incur a substantial loss. The sales proceeds you realize can then be substantially lower than the amount you paid to purchase the Securities.

### ***(b) Changes with regard to the Reference Entities***

**You bear the risk that the Reference Entity(ies) might change during the term of the Securities. The credit standing of a new Reference Entity can be worse than the credit standing for the original Reference Entity.**

The Reference Entity or the composition of the Reference Entities in the case of Product Type 4, 5 or 6 can change. This is especially the situation if a Reference Entity is replaced by a Successors. Such a replacement takes effect upon publication of a corresponding Succession Notice by the Issuer.

In the case of a Succession in right, you bear the risk that the credit standing of the new Reference Entity(ies) will be worse. Your Securities can, therefore, suffer a loss of value. The risk of the occurrence of a Credit Event by the new Reference Entity(ies) can also increase. You bear this risk as the Security Holder. Therefore, it is possible that you may suffer economic harm as a result of a change in the Reference Entity(ies).

*Specifically:*

**(A) Securities with one Reference Entity (Product Types 1, 2 and 3)**

In the case of Product Types 1, 2 or 3, the Issuer is entitled as follows:

- In the case of Securities with one Reference Entity, the Issuer can replace the Reference Entity in the case of a Succession in right by one or more Successors. The Final Terms contain provisions about selecting the Successor(s).

Or

- The Issuer can give extraordinary notice of termination of the Securities if there are more than one Successor. The Issuer can also give extraordinary notice of termination if the Transaction Type for the Reference Entity changes. This is the situation under the following conditions: The Successor has its corporate headquarters in a country which is different than for the original Reference Entity. Therefore, the Transaction Type for the new Reference Entity changes according to the trading standards of ISDA. Example: A German company becomes an American company as a result of a merger. See with regard to the risks in the case of an extraordinary notice of termination, Section 2.2.4(a).

You now bear the risk that a Credit Event can occur in the future with regard to the Successor as the new Reference Entity. If the Issuer determines more than one Successor to the Reference Entity, each of the selected Successors becomes a Reference Entity. You now bear the risk that a Credit Event can occur in the future with regard to each Successor. The Securities now relate proportionately to each Successor.

**(B) Securities with multiple Reference Entities (Product Types 4, 5 and 6)**

In the case of Product Types 4, 5 and 6, the Issuer is entitled as follows:

- In the case of Securities with multiple Reference Entities, the Issuer can replace a Reference Entity in the case of a Succession in right by one or more Successors. The Final Terms contain provisions about selecting the Successor(s).

Or

- The Issuer can give extraordinary notice of termination of the Securities if there are more than one Successor. The Issuer can also give extraordinary notice of termination if the Transaction Type for the Reference Entity changes. This is the situation under the following conditions: The Successor has its corporate headquarters in a country which is different than for the original Reference Entity. Therefore, the Transaction Type for the new Reference Entity changes according to the trading standards of ISDA. Example: A German company becomes an American company as a result of a merger. See with regard to the risks in the case of an extraordinary notice of termination, Section 2.2.4(a).

You now bear the risk that a Credit Event can occur in the future with regard to the Successor as the new Reference Entity. If the Issuer determines more than one Successor for the Reference Entity, each of the selected Successors becomes a Reference Entity. The weighting of the original Reference Entity is allocated in accordance with the number of Successors. You now bear the risk that a Credit Event can occur in the future with regard to each Successor as a new Reference Entity.

Example:

Nominal Amount: EUR 10,000.

Assumption: One Reference Entity from among four Reference Entities is replaced by two Successors.

The Weighted Amount of the three original Reference Entities continues to be in each case EUR 2,500. The Weighted Amount for the two Successors is in each case EUR 1,250.

In the case of Product Types 4, 5 and 6, you bear an additional risk. The Successor of a Reference Entity can already be a Reference Entity. This has the result that the weighting of the affected Reference Entity increases compared to the other Reference Entities. Upon the occurrence of a Credit Event at that Reference Entity, therefore, there is a higher risk of loss than in the case prior to the succession.

Example:

Nominal Amount: EUR 10,000.

Assumption: There are four Reference Entities A, B, C and D. The Reference Entity A takes over the Reference Entity D.

A is, thus, the Successor of D. The Weighted Amount of A is increased to EUR 5,000. The Weighted Amounts of the Reference Entities B and C continue to be unchanged at EUR 2,500.

It is even possible that the number of Reference Entities can be reduced to one in the case of Securities with two Reference Entities. You then lose the benefit of risk diversification with two Reference Entities.

*(c) Complex analysis*

**The analysis of the risks related to the Securities is complex. It can especially be difficult for you to assess the probability of the occurrence of a Credit Event.**

The risks related to the respective Reference Entity and the analysis of the probability of the occurrence of a Credit Event are complex. They are not equivalent with investment decisions in other Securities of the Issuer which are not Credit Linked or in other companies or financial institutions.

The trading and the pricing of the Securities depend on the trading and the pricing of the credit risks of the Reference Entity. Trading and pricing these credit risks occur in markets which are not very transparent and lie outside the exchanges.

It is also possible that not all bonds or Obligations of the Reference Entity are traded on exchanges. This can make it difficult to analyse the probability of the occurrence of a Credit Event at the Reference Entity.

You should, therefore, consider that all information for analysing the credit risks may not be complete or publicly available on a specific date. In order to assess the credit risk of the respective Reference Entity, you should consider and analyse the following information. You should base your investment decision on the following:

- all available public information about the capacity and the financial situation of the Reference Entity, and
- the published financial information or the published government debt.

The probability that a Credit Event occurs with regard to one or more Reference Entities depends, among other aspects, on the following factors:

- the financial position and earning situation and other key data of the relevant Reference Entity,
- the general economy,
- the position in specific markets,
- political events, developments or tendencies in certain industries, or
- changes in the applicable interest rates.

You should, therefore, thoroughly examine the Reference Entity(ies). You should especially conduct your own research and make your own analyses with regard to the credit standing of the Reference Entity(ies). You should also analyze the probability of the occurrence of a Credit Event with regard to the Reference Entity(ies).

You should be aware that the financial and earnings position of Reference Entities or government debt by governmental Reference Entities can change. The other above mentioned parameters can also experience adverse changes during the term of the Securities. You should consider that information for analysing credit risks is not necessarily completely or publicly available on a specific date.

***(d) Risks resulting from laws governing recovery and resolutions in the case of Product Type 3 and Product Type 6***

**The content and scope of the applicable national legislation on recovery and resolutions of financial institutions can increase the probability of the occurrence of a Credit Event.**

The law applicable to a financial institution governing recovery and resolutions can permit substantial influence and impact on the Obligations of a financial institution. Measures including a reduction of debt are conceivable. All these measures can possibly occur in advance of any Insolvency. Especially measures can be carried out if the financial institution threatens to fail or, for example, if the loss of the banking license must be feared.

In the case of Securities related to financial institutions, you must accordingly particularly pay attention to the fact that they depend to a high degree on the content and scope of the applicable national legislation on recovery and resolutions.

The Credit Event may in case of a financial institution occur with respect to a so called senior non-preferred debt instrument if the senior non-preferred status is specified for the respective Reference Obligation. Such senior non-preferred debt instruments rank in bankruptcy proceedings after other unsecured senior liabilities of a financial institution. Accordingly, these senior non-preferred debt instruments will become subject to resolution action before other unsecured senior liabilities. Potential investors therefore bear the risk of a Credit Event even if other senior liabilities of the financial institution are (still) not affected by a Credit Event.

***(e) Concentration risks in the case of Product Types 4, 5 and 6***

**In the case of a concentration of the Reference Entities in one industry, the risk of a deterioration of the credit standing of all Reference Entities is increased.**

You should pay attention to the fact that in the case of Securities related to multiple Reference Entities that the credit standing of each Reference Entity can deteriorate. The deterioration of the credit standing of the Reference Entity leads to a decrease in the price for the affected Note. In the case of a concentration of the Reference Entities in one industry, the risk for a deterioration of the credit standing of all Reference Entities is higher. This is due to the fact that the credit standing of

all Reference Entities can deteriorate if the parameters for the relevant industry deteriorate. This also applies if the Reference Entities are subject to similar financial risks or other similar risks.

*(f) Risks in the case of Reference Entities in emerging countries*

**Securities which relate to Reference Entities in emerging countries involve additional risks.**

The Reference Entities under the Securities can also be an emerging country or a developing country or a company in such a country. Such Securities involve additional risks. They can be of a legal, political or economic nature (including a collapse of the currency).

There are substantial legal, economic and political risks in the case of emerging countries and developing countries. These risks can be greater than for EU Member States or other industrialized countries. The risks include the unstable political or economic situation, increased inflation as well as higher currency risks. There can also be less available public information about Reference Entities in emerging countries and developing countries. Securities markets in emerging countries can have a substantially lower trading volume than in developed markets. The securities markets may possibly be less liquid than developed securities markets in industrialized countries. Experience shows that the prices in such securities markets fluctuate more strongly.

*(g) No research and guarantees of the Issuer; no information by the Issuer*

**You bear the risk that you will not be fully informed about the Reference Entity. Not all information about the Reference Entity is publicly available.**

The Issuer does not conduct any research with regard to the respective Reference Entity. You cannot rely on events being published with regard to the Reference Entity. Especially events which have occurred (shortly) before issuing the Securities are not necessarily already published in publicly available sources.

The Issuer does not give any warranties or guarantees with regard to the credit standing of the Reference Entity. Therefore, please pay attention to the following: The selection of a Reference Entity for the Securities is not based on the assessments by the Issuer with regard to the future development of the credit standing of that Reference Entity.

The Issuer also may not have public information with regard to the respective Reference Entity during the term of the Securities. The Issuer is not required to disclose this information to you. This also applies if the Issuer is not required to treat the information as confidential. The Issuer is also not required to keep you continuously informed about the economic development of the Reference Entity. This also applies for information which indicates the occurrence of a Credit Event or a succession in right for the respective Reference Entity.

Therefore, there is a risk that the Issuer has better information than you with regard to the Reference Entity.

*(h) Rating information about Reference Entities*

**You bear the risk that the ratings for the Reference Entity deteriorate.**

Ratings are produced by recognized rating agencies on the basis of public and non-public information about a Reference Entity. Published ratings about a Reference Entity, despite their widespread use, represent only a condensed variable for the valuation. A rating of a Reference Entity reflects the Reference Entity's credit standing. The rating constitutes an assessment of the possibilities for the Reference Entity to comply with its payment obligations in the future. Any change in the rating of a Reference Entity can have an adverse effect on the value of the Securities.

#### **2.2.4 Specific material further risks resulting from the Conditions of the Securities**

In this risk category, the specific risks with regard to the Conditions of the Securities are described. The most material risk factors in this category are described first:

*(a) Risk arising from extraordinary termination of the Securities*

**You bear the risk of loss in case that the Securities are terminated early.**

The Conditions for the Securities provide for an extraordinary right of termination for the Issuer. Certain special Call Events for termination are defined in the Conditions which establish the right to give extraordinary notice of termination. In addition, you bear a Reinvestment Risk.

Example:

The Reference Entity originally domiciled in Germany is taken over by another company.

This Successor has its headquarters in Asia. It is, thus, subject to another Transaction Type than the Transaction Type determined in the Conditions in accordance with the trading standards of ISDA.

The Securities are terminated.

The Cancellation Amount which is paid by the Issuer upon extraordinary termination of the Securities is very low under certain circumstances. It can especially be lower than the amount which you would have received if no extraordinary termination of the Securities had occurred.

The development of the respective Reference Entity after a termination has an adverse impact on the amount of the Cancellation Amount under the following conditions: The expectation for the credit standing of the Reference Entity falls between the point in time of the extraordinary notice of termination and the point in time when the Cancellation Amount is determined.

You then incur a loss if the Cancellation Amount is below the amount paid for the purchase of the Securities. A **total loss** is also possible.

There is also a reinvestment risk. The "**Reinvestment Risk**" is the risk that the cash amount you receive can be reinvested for a comparable term only on worse market conditions (such as a lower return or an increased risk). As a result, the yield achieved by this new investment over the respective term may be significantly lower than the return expected with the purchase of the Securities. In addition, the likelihood of a loss of the amounts paid in relation to the reinvestment may increase significantly.

**(b) *Risks in connection with determinations by the Issuer***

**Discretion on the part of the Issuer can have an adverse impact on the value of the Securities as well as the amount and/or the timing of the payments.**

The Conditions provide that the Issuer will make certain determinations with regard to the Securities. The Issuer has, for example, discretion in the following areas:

- There is discretion when choosing the Valuation Obligation and fixing the Credit Event Redemption Amount.
- There is discretion in selecting a Successor.
- There is discretion in the case of an ISDA Statements or ISDA announcement which is not appropriate for determining a result that is fair for the economic substance of the Securities due to differences between the Conditions and the ISDA Terms or for other reasons.
- There is discretion when determining the Cancellation Amount after an extraordinary notice of termination as a result of a special Call Event for termination.

The Issuer makes such determinations in its reasonable discretion (§ 315 BGB). The Issuer will comply with the applicable ISDA Statements and resolutions of the ISDA Determination Committee.

Please, be aware that a determination made by the Issuer can reduce the value of the Securities. The amounts payable under the Securities are then also affected by the adverse impact of such a determination by the Issuer. The adverse impact can also affect the point in time of a payment.

**(c) *Consideration of the decisions by the ISDA Determination Committee***

**Material decisions in connection with the Securities depend on the content of the decisions of the ISDA Determination Committee. You have absolutely no influence on the resolutions of the ISDA Determination Committee.**

Events and sets of facts which play an important role for the interest and redemption of the Securities are defined in the Conditions. They are based on standard Conditions for financial instruments which depend on the occurrence of a Credit Event at one or more Reference Entities ("**Credit Derivatives**").



These standard terms and conditions are referred to as the "**ISDA Credit Derivatives Definitions**". They were published by the International Swaps and Derivatives Association, Inc. (**ISDA**) for its members in the year 2014 (the "**ISDA Terms**"). The ISDA Terms are applied by a committee established by ISDA. The members of the committee are traders and purchasers of Credit Derivatives. It has the name "**ISDA Determination Committee**".

You should know that material decisions in connection with the Securities depend on the content of the resolutions of the ISDA Determination Committee. **This is especially the case in decisions about whether a Credit Event at a Reference Entity exists or not.**

You should pay attention to the fact that the ISDA Terms, which form the basis for the decision by the ISDA Determination Committee, are not published in this Base Prospectus. The ISDA Terms are published on the website of ISDA. However, they are not visible there for everyone. They can only be obtained for a charge and in the English language.

There is also the risk that not all relevant provisions in the ISDA Terms can be viewed on the website of ISDA. In this situation, you cannot check and examine the resolutions of the ISDA Determination Committee.

As a Security Holder, you have no influence on the ISDA Determination Committee or its rules. You also cannot influence the selection of its members. The members of the ISDA Determination Committee have absolutely no obligations towards you. As a consequence, you have no right to assert claims against the members of the ISDA Determination Committee. The members of the ISDA Determination Committee are not required to check the accuracy of information in connection with a decision that is to be made. They are also not bound by previous resolutions. Therefore, different decisions can be made also in the case of comparable factual situations.

Publications, determinations or resolutions of ISDA and/or the ISDA Determination Committee are published on their internet page.<sup>2</sup> There is no duty of the Issuer to inform you about these publications, determinations or resolutions.

***(d) The ISDA Terms and their interpretation can change***

**You bear the risk that the ISDA Terms change in the future. The interpretation of the ISDA Terms can also change.**

These changes can be reflected in the decisions of the Issuer, for example, in the decision about whether a Credit Event has occurred with regard to a Reference Entity. Such changes can also have a negative effect on your Securities.

Although ISDA has published the ISDA Terms, in order to harmonise transactions in the credit derivatives market, these ISDA Terms can be interpreted differently. Such different interpretations of the terms can also have an adverse effect on the Securities.

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<sup>2</sup> <http://dc.isda.org/credit-default-swaps-management/> or [www.isda.org/credit](http://www.isda.org/credit).

### *(e) Reinvestment Risk with regard to the Securities*

You bear the Reinvestment Risk in the event of termination of the Securities by the Issuer.

You bear the risk that the term of the Securities may be terminated by the Issuer at a time that is unfavourable to you. Reason: At this time you expect a favourable development regarding the payments from the Securities or a further increase in the price of the Securities. These expectations can therefore no longer be met due to the end of the term. The time can be unfavourable for you for also the following reason: You can only reinvest the Cancellation Amount for a return which is below the expected return on the terminated Securities. Under certain circumstances, the termination deprives you of the possibility of collecting interest for your Securities. This is the case when the Issuer terminates the Securities before the Interest Payment Date.

### **2.2.5 Specific material risks in connection with the investment, the holding and selling of the Securities**

In this risk category, the specific risks with regard to the investment, the holding and selling of the Securities are described. The most material risk factors in this category are described first:

#### *(a) Market price risks*

**The development of the credit standing of the respective Reference Entity and, thus, the development of the value of the Securities during the term is not foreseeable when the Securities are purchased. The principal for the Securities is not protected.**

The market for the Securities can be volatile and is subject to influence from numerous factors. The credit standing of the respective Reference Entity can substantially deteriorate during the term of the Securities. Such a deterioration can occur without the occurrence of a Credit Event being directly pending or threatening. This can lead to the following result: The value of the Securities falls below the amount which you paid to purchase the Securities.

If you sell the Securities before they become due, you should be aware of the following: The generated proceeds from the sale can be substantially below the Nominal Amount of the Securities. If the sales proceeds are below the amount you paid for the purchase, you will suffer a loss.

Especially the following circumstances can have an effect on the market price for the Securities. Individual factors in the market can also occur simultaneously:

- the remaining term of the Securities,
- change in the credit standing or the assessment of the credit standing with regard to the Issuer,
- change in the credit standing or the assessment of the credit standing of the respective Reference Entity or the occurrence of a Credit Event or suspicion of a Credit Event, or

- changes in the market interest rate.

Changes in the price of Obligations of the respective Reference Entity can also reduce the value of the Securities. This also applies if an expected change in the price of the Obligations occurs. Changes in the price of Obligations of the Respective Entity and, thus, the Securities can be based on the following, among other reasons: The Issuer engages in hedging transactions or other transactions with regard to the respective Reference Entity.

The market value of the Securities is also dependent on the development of the market prices of other credit derivatives related to the respective Reference Entity. These credit derivatives are also subject to fluctuations in price.

The development of the market price for credit derivatives is also not just dependent on the expected credit standing related to the respective Reference Entity. The development depends, for example, also on the expectation in the market with regard to the probability of a failure of debtors in general. This can have the consequence that the market value of the Securities decreases due to changes in the price in the overall credit derivatives market. This phenomenon can also occur if the expectation for the credit standing with regard to the Reference Entity for the Securities has not changed.

**The principal of the Securities is not protected and there is no minimum redemption amount.** Thus, you have a substantial risk of loss. Even a total loss of the amount paid for the purchase of the Securities is possible.

### ***(b) Liquidity risk***

**You bear the risk that there is no liquid market for trading the Securities. This means that you might not be able to sell the Securities at your preferred time.**

An application can be submitted to admit the Securities to trading on a securities exchange. After the Securities have been admitted to trading, the Securities are listed on the corresponding exchange (listing). However, in the case of a listing, there is no guarantee that this listing will be maintained permanently. If there is no longer a listing, the purchase and the sale of the Securities is substantially impeded or in fact impossible. Even in the event of a continuing listing, this does not necessarily mean that there will be high sales of the Securities on the relevant exchange. Low sales on an exchange make it more difficult to sell Securities at a favourable price. This is referred to as an illiquid market for the Securities.

Furthermore, even in the case of an existing secondary market it cannot be excluded that you may not be in a position to dispose of the Securities in the case of an unfavourable development (e.g. of the Underlying or of a currency exchange rate), e.g. if such development occurs outside of the trading hours of the Securities.

You should not assume that there will always be a liquid market for the Securities. You should take into account that you will not be able to sell the Securities to any market participant.

*(c) Risk regarding determination of the prices for the Securities in the secondary market / risks in the pricing*

**You bear the risk that you cannot sell the Securities at a specific time or for a specific price.**

The Issuer (the "**Market Maker**") regularly determines purchase and selling prices for the Securities ("**Market Making**") under normal market conditions. The Market Maker can also be a company affiliated with the Issuer or another financial institution. The Market Maker, however, does not guarantee that the prices stated by the Market Maker are reasonable. The Market Maker also does not guarantee that prices for the Securities are available at all times during the entire term.

You should note: The Market Maker can also change the methodology used to determine the posted prices in the Market Maker's own discretion at any time. For example, the Market Maker can change its calculation model and/or increase or decrease the range between the purchase and selling prices. In the case of a market disruption or technical problems, the availability of the used electronic trading system can also be restricted or shut down. In the case of extraordinary conditions in the market or extreme fluctuations in price in the securities markets, the Market Maker will normally not post any purchase or selling prices. You accordingly bear the risk that you will not obtain a price for your Securities under certain conditions. This means that you cannot sell your Securities in the market for a reasonable price in every situation.

The issue volume described in the Final Terms does not allow any conclusion on the volume of the Securities actually issued or outstanding at any time. Thus it may not be possible to assert the liquidity of a potential Secondary Market on such basis.

*(d) Risks under potential conflicts of interest*

**The Issuer and its affiliated companies can pursue interests which do not take into account or are contrary to your interests. This can occur in the course of other transactions, business relationships with the respective Reference Entity or the exercise of other functions. Potential conflicts of interest can reduce the value of the Securities.**

**Comment on this point:** To the extent the Issuer is referred to below, this also means the Issuer and its affiliated companies.

**(A) Other transactions**

The Issuer is active on a daily basis in the international and German securities, currency, credit derivatives and commodities markets. The Issuer can accordingly conclude transactions for the own account or for the account of customers that directly or indirectly relate to the Securities. When concluding these transactions, the Issuer can act as if the Securities had not been issued.

The Issuer can also conclude transactions with regard to the respective Reference Entity. Such transaction can have a negative effect on the value and/or the ability to trade the Securities. The Issuer can pursue economic interests which are contrary to your interests when doing so.

The Issuer can purchase and sell Securities for the own account or for the account of third parties. The Issuer can also issue other Securities. These transactions can reduce the value of the Securities you have acquired. The introduction of other competing products in the market can adversely affect the value of the Securities.

### **(B) Business relations**

The Issuer can have a business relationship with the respective Reference Entity.

This means the following with regard to the Securities: The Issuer can take measures it considers reasonable for the purpose of preserving its own interests under these transactions. When doing so, the Issuer is not required to take into account the effects on the Securities and on you as a Security Holder.

The Issuer can carry out and enter into transactions or participate in transactions which influence the credit standing of the Reference Entity. Such business relationships with the Reference Entity can indirectly negatively influence the probability of the occurrence of a Credit Event and, thus, impair the value of the Securities. This can lead to a conflict of interests on the side of the Issuer.

### **(C) Issuer's functions**

The Issuer functions as the main paying agent with regard to the Securities. The Issuer can also make certain determinations in accordance with the Conditions. The Issuer determines inter alia the occurrence of a Credit Event and the Final Price for the Credit Event Redemption Amount.

The Issuer determines the occurrence of a Credit Event and, under certain circumstance, the Final Price. The Issuer can also choose a price for the Valuation Obligations of the relevant Reference Entity which are adverse for you. You should note that the exercise of these functions can impair the value of the Securities.

Furthermore, the Issuer can participate in ISDA auction proceedings after the occurrence of a Credit Event with regard to the Reference Entity. You should be aware that the participation in ISDA auction proceedings can reduce the Credit Event Redemption Amount and, thus, the value of the Securities.

### **(D) Information related to the Reference Entity**

The Issuer and its affiliates can possess or have access to material information about the respective Reference Entity which is not public. You may not know this information. The Issuer is not required to disclose such information about the respective Reference Entity to you. Therefore, you must rely on publically available information when analysing the credit risk of the Reference Entity. Hence, you may make wrong decisions with respect to the Securities due to missing, incomplete or wrong information regarding the Reference Entity, which may even result in a **total loss** of the capital amount spent.

### **(E) Pricing by the Issuer**

In the course of the Market Making, the Issuer, as the Market Maker, is responsible for setting the prices for the Securities. Market Making means that the Market Maker continuously sets bid and ask prices at which the Issuer is willing to trade the Securities in a certain volume. Market Making can have a material influence on the liquidity and/or the value of the Securities. The prices set by the Market Maker can, under certain circumstances, deviate substantially from the financial mathematical (intrinsic) value of the Securities to the detriment of the Security Holder and normally do not correspond to the prices which would develop in a liquid market without such Market Making.

### **(e) *Risks with regard to taxes***

**You bear the risk that the tax treatment of the Securities can change. This can reduce the value of the Securities.**

Tax law and practice are subject to changes, possibly with retroactive effect. In particular, the tax treatment of the Securities can change compared to your opinion at the time of purchasing the Securities. You accordingly bear the risk that you might possibly incorrectly evaluate the taxation of the income from purchasing the Securities. However, it is also possible that the taxation of income from the purchase of the Securities changes to your detriment. This can reduce the value of the Securities and/or the market price for the Securities.

### 3. General Description of the Base Prospectus

#### 3.1 Scope of the Base Prospectus

Under this Base Prospectus, together with any supplements thereto (the "**Supplements**") and the respective final terms (the "**Final Terms**"), (the "**Base Prospectus**" or "**Prospectus**") UniCredit Bank AG (the "**Issuer**")

- may issue new Credit Linked Securities (the "**Securities**") under the Programme,
- increase the issuing volume of Securities which have already been issued, and
- apply for the admission to trading of Securities on a regulated or third country market.

The Securities will be issued as debt instruments in bearer form (Inhaberschuldverschreibungen) pursuant to § 793 BGB.

This Base Prospectus is to be read together with the information provided in

- the registration document of UniCredit Bank AG dated 20 May 2020 (the "**Registration Document**"), whose information is incorporated herein by reference,
- the supplements to this Base Prospectus, if any,
- all other documents whose information is incorporated herein by reference (see "3.5 Information incorporated by reference in this Base Prospectus" below) as well as
- the respective Final Terms.

The Base Prospectus, any supplement to the Base Prospectus and the respective Final Terms are available on the website as specified in the respective Final Terms or on any successor website. In addition, the Base Prospectus, any supplement to the Base Prospectus and, if the relevant Securities are listed on the Luxembourg Stock Exchange, the respective Final Terms will be automatically published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of UniCredit AG (<https://www.onemarkets.de/de/rechtliches/basisprospekte.html>).

The Issuer does not intend to provide information following an issuance of Securities, unless either required by any applicable laws and regulations or the Conditions provide for an obligation to publish notices in certain cases. In such cases, a publication will be made on the website(s) as specified in the Final Terms in accordance with § 12. The Issuer may replace these website(s) by any successor website(s) which again will be published by notice in accordance with § 12.

#### 3.2 Approval of Base Prospectus and Notification

This Base Prospectus has been approved by the CSSF. The CSSF thereby acts in its capacity as the competent authority in accordance with the PR.

The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the PR. Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are subject to this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

Under this Base Prospectus Credit Linked Securities may only be offered to the public or admitted to trading on a regulated or other equivalent market in Croatia, Luxembourg and Poland. For this purpose, CSSF at the request of the Issuer has provided an electronic copy of this Base Prospectus and a certificate of its approval to the competent authorities in these countries pursuant to Article 25 PR (Notification). This certificate states that the Base Prospectus has been prepared in accordance with the PR.

#### 3.3 Responsibility Statement

UniCredit Bank AG having its registered office at Arabellastraße 12, 81925 Munich, Germany accepts responsibility for the information contained in this Base Prospectus. UniCredit Bank AG declares that, to the best of its knowledge, the information contained in this Base Prospectus is, in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes a recommendation, an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Securities.

The information contained in this Base Prospectus are made in relation to the date of this Base Prospectus and may become incorrect or incomplete in case of changing circumstances. The Issuer will publish every new significant new factor, material mistake or material inaccuracy in relation to information contained in the Base Prospectus. Such publication will be made pursuant to Article 23 (1) and (2) PR in a supplement to the Base Prospectus.

#### 3.4 Third-Party Information

Where information has been sourced from a third party, the Issuer confirms that to the best of its knowledge this information has been accurately reproduced and that so far as the Issuer is aware and able to ascertain from information published by such third party no facts have been omitted which would render the reproduced information inaccurate or misleading.



### **3. General Description of the Base Prospectus**

To the extent additional information is included in the Final Terms (for example, with regard to information about the Reference Entities), the respective source for the corresponding information is stated at the relevant place.

Reference may also be made to websites for information about the Reference Entities and the respective Final Terms. These websites can be used as a source of information for the description of the Reference Entities. The Issuer assumes no warranty for the accuracy of the content and the completeness of the data shown on the websites.

#### **4. CONSENT TO THE USE OF THE BASE PROSPECTUS**

If the Issuer consents to the use of the Base Prospectus, consent shall be given to the extent and the conditions as set out in the Base Prospectus and the Final Terms during the term of its validity in accordance with Article 12 of the PR. The Issuer reserves the right not give its consent.

The Issuer accepts responsibility for the information given in the Base Prospectus, in any supplement thereto as well as in the Final Terms also with respect to the subsequent resale or final placement of the Securities by financial intermediaries, who obtained the consent to use the Base Prospectus, any supplement thereto as well as the Final Terms.

Such consent can be given to all (so-called general consent) or only one or several specified financial intermediaries (so-called individual consent) and will be determined in the Final Terms.

Such consent can be given in relation to the following Member States, in which the Base Prospectus is valid or into which it has been notified as specified in the Final Terms:

Croatia, Luxemburg and Poland.

The Issuer's consent to the use of the Base Prospectus may be given under the condition that each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer. Furthermore, in connection with the consent to the use of the Base Prospectus the Issuer may impose the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Securities. This commitment is made by the publication of the financial intermediary on its website stating that the prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent. The consent to the use of the Base Prospectus will be given for the period set out in the Final Terms.

The distribution of this Base Prospectus, any supplement thereto and the Final Terms as well as the offer, sale and the delivery of the Securities may be restricted by law in some jurisdictions. Each financial intermediary and/or each person, who is in the possession of this Base Prospectus, a supplement thereto and the Final Terms, must be informed of and comply with such restrictions. The Issuer reserves the right to withdraw its consent to the use of this Base Prospectus in relation to certain financial intermediaries.

**Information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary.**

**Any further financial intermediary using the Base Prospectus shall state on its website that it uses the Base Prospectus in accordance with this consent and the conditions attached to this consent.**

**New information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms, as the case may, will be published and will be found on the website of the Issuer ([www.onemarkets.de](http://www.onemarkets.de)) under "Rechtliches", "Zustimmung zur Prospektnutzung" (or any successor website which the Issuer will publish in accordance with § 12 of the Conditions).**

## 5. GENERAL INFORMATION ON THE SECURITIES

### 5.1 Category of investors and minimum units in the offering of Credit Linked Securities

The offering of Credit Linked Securities by the Issuer (hereinafter: the "**Securities**") to private investors is based on this Base Prospectus. It takes into account the general principles recommended by the German Derivatives Association (*Deutscher Derivate Verband*, "DDV") and by the German Credit Industry (*Deutsche Kreditwirtschaft*, "DK") – other than in relation to Securities with floating rate features.<sup>3</sup> The Securities offered to private investors are in denominations of at least EUR 10,000. In the case of a foreign currency, the denomination must correspond to the value of EUR 10,000. See on this point the restrictions described in Section "10. Selling Restrictions" in the Base Prospectus.

#### 5.1.1 General

##### (a) *Type of offered securities and/or securities admitted to trading*

The Securities are each bearer Securities under German law within the meaning of § 793 German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**").

The form and content of the Securities is governed by German law. The same applies to all rights and obligations of the investors and the Issuer. The Securities, as bearer securities, are transferrable in accordance with the provisions in German securities law.

The Securities are structured pursuant to different Product Types. How the different Product Types constituting the Securities function is explained in Section "6. Description of the Securities". That Section especially describes how the occurrence of a Credit Event at a Reference Entity influences the value of the Securities. A differentiation is made between six different types of products. Product types 1, 2, and 3 relate to one Reference Entity. Product Types 4, 5 and 6 relate to multiple Reference Entities. You will find further details about the Product Types in Section 6.1.1.

The concrete description and features of the Securities can first be determined shortly prior to publication of the Final Terms. The same applies to all further information about the issues. These aspects will be published in the Final Terms.

They involve, e.g. the following information:

- International Security Identification Number (ISIN),
- German Securities Identification Number (*Wertpapierkennnummer*, "WKN"),
- Issue Date,
- Issuance volume,

<sup>3</sup> Grundsätze für die Emission von „bonitätsabhängigen SCHULDVERSCHREIBUNGEN“ zum Vertrieb an Privatkunden.

- Maturity Date,
- the issuing currency,
- any rating of the Securities, and
- the Reference Entity(ies).

You can find a form of the Final Terms in Section "9 Form of Final Terms".

### *(b) Form of the Securities / transferability*

The Securities are certificated in a bearer global note (the "**Global Note**") without interest coupons.

The Global Note will either be deposited

- with Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany, or with
- Clearstream Banking S.A., Luxembourg, 42 Avenue JF Kennedy, L-1855 Luxembourg, and Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium (in each case, the "**Clearing System**").

Securities in definitive form will not be issued. The Final Terms will determine at which Clearing System the Global Note is deposited.

The Securities are transferrable as co-ownership interest in the Global Note pursuant to the relevant regulations of the respective Clearing System.

### *(c) Status of the Securities, Ranking in case of a resolution of the Issuer*

The Securities constitute direct and unsecured obligations of the Issuer. The Securities rank pari passu with all other unsecured and unsubordinated obligations of the Issuer. Exception: obligations which have a preference or subordination under the law.

The recovery and resolution laws applicable to the Issuer comprising the

- Regulation (EU) No 806/2014 ("**SRM**"),
- the Restructuring and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**SAG**") implementing the Directive 2014/59/EU of 15 May 2014 ("**BRRD**"),
- the German Banking Act (*Kreditwesengesetz* – "**KWG**") and
- the German credit institution reorganisation act (*Kreditinstitute-Reorganisationsgesetz* – "**KredReorgG**")

## 5. General Information on the Securities

provide for regulatory requirements and administrative powers for the restructuring and resolution of a credit institution and their groups ("**Institutions**").

According to the SRM and the SAG, shareholders and creditors, which have purchased financial instruments issued by those Institutions, may participate in an Institution's losses and the costs of the resolution; so-called instruments of creditor participation (*Gläubigerbeteiligung*).

This means, that the Securities of the Issuer, as an Institution, are also subject to the instrument of creditor participation.

The prerequisites for a resolution are met under the SAG, when BaFin, as the relevant resolution authority, makes the following determinations:

- that the Issuer is failing or likely to fail,
- that in order to achieve one or more resolution objectives, exercising a resolution measure is necessary and proportionate,
- that the failure of the Issuer cannot be remedied within the given timeframe with any other measure.

If, according to the determinations of the relevant resolution authority, these prerequisites are met with regard to an Institution, the resolution authority can – even before the insolvency of the Institution – undertake comprehensive measures, which can be detrimental to creditors (such as the Security Holders). The resolution authority can, for example, transfer shares in the Institution or parts or the entirety of the assets of the Institution, including its liabilities, to a bridge institution, an asset management company or another suitable third party and thereby compromise the Institution's ability to honour its payment and delivery obligations towards the creditors of the financial instruments it has issued – and therefore towards the Security Holders of the Securities issued by the Issuer.

Furthermore, in accordance with the SAG the resolution authority is entitled to write down the claims of holders of unsecured Securities of the Issuer described in this Base Prospectus partially or completely or to convert them into equity (stock or other forms of shares) in the Issuer (so-called bail-in) in order to stabilise the Issuer as an Institution.

The resolution authority can also suspend the payment and delivery obligations of the Issuer as an Institution, e.g. resulting from the Conditions towards the Security Holders. Furthermore, the resolution authority can suspend the option of the Security Holders to exercise any termination or any similar rights (*Gestaltungsrechte*) according to the Conditions of the Securities. The suspension takes effect until the end of the banking day following the publication of the resolution order. Under certain circumstances, the resolution authority can also amend contractual provisions regarding the obligations of the Institution. The amendment can in particular include the Conditions of the Securities issued by the Issuer. The resolution authority can also order the cancellation or suspension of security trading of the Issuer on a regulated market or the listing.

If a resolution authority takes a measure in accordance with the SAG, the Security Holder is not entitled based on this measure alone, to terminate the Securities or to exercise other contractual rights. This restriction applies as long as the Issuer as an Institution is still performing its main obligations (*Hauptleistungspflichten*) resulting from the Conditions, including its payment and delivery obligations.

For the purposes of a bail-in, the claims of the creditors of the Issuer as an Institution, like the holders of the unsecured Securities of the Issuer described in this Base Prospectus, will be divided into several groups and will participate according to a fixed ranking (the "**Liability Cascade**").

**As the first in the Liability Cascade**, owners of the Issuer as an Institution (i.e. holders of stock and other shares) must be held liable. **Then** the creditors of Additional Tier 1 instruments or of Tier 2 instruments and creditors of unsecured subordinated liabilities (this includes for example subordinated loans and participation rights) of the Issuer are affected.

The **next category** consists of **unsecured, unsubordinated liabilities** which also includes debt liabilities such as bearer bonds, order bonds (*Orderschuldverschreibungen*), registered bonds and *Schuldscheindarlehen*. Exception: covered deposits or indemnifiable (*entschädigungsfähig*) deposits.

Within this category, there are non-structured debt instruments which get assigned a lower ranking in case of insolvency proceedings than other unsecured, unsubordinated liabilities. The lower ranking can be based on statutory regulation or an explicit provision by the borrower in the terms. These so-called non-preferred debt instruments rank above the other unsecured, unsubordinated liabilities pursuant to the Liability Cascade.

The Securities described in this Base Prospectus rank below the non-preferred debt instruments pursuant to the Liability Cascade. Accordingly, in the case of a bail-in, you will be impacted only after the holders of these non-preferred debt instruments.

### **(d) Payments under the Securities**

Payment under the Securities is made on the relevant maturity date through the Clearing System specified in the Final Terms. You can find details of the payments in the description of the Securities in Section "6. Description of the Securities".

Any taxes or public levies incurred in connection with payments under the Securities must be borne by you. The Issuer is released from its obligation under the Conditions upon rendering payment to the Clearing System.

### **(e) Paying Agent**

All payments under the Securities will be made by the Principal Paying Agent in accordance with the Conditions. The Principal Paying Agent and any other Paying Agents are specified in the Final Terms.

### 5.1.2 Further Features

The term of the Securities is fixed. It ends on the Scheduled Maturity Date. This date is set in the relevant Final Terms when the Securities are issued. Exemption:

- A Credit Event occurs with regard to a Reference Entity. In this situation, the Settlement Date can fall before or after the Scheduled Maturity Date. You receive the Credit Event Redemption Amount on the Settlement Date. You can find details in Sections 6.2.5, 6.3.5, 6.4.5, 6.5.6, 6.6.6 and 6.7.6.
- The Requirements for a Payment Deferral are satisfied. In this situation, interest payments can be deferred until the Deferred Interest Payment Date. The redemption can also be deferred until the Deferred Redemption Date. You can find details in Sections 6.2.3, 6.2.6, 6.2.8, 6.3.3, 6.3.6, 6.3.8, 6.4.3, 6.4.6, 6.4.8, 6.5.3, 6.5.7, 6.5.9, 6.6.4, 6.6.7, 6.6.9, 6.7.4, 6.7.7 and 6.7.9.
- The Issuer issues an extraordinary notice of termination for the Securities in accordance with the Conditions (for details, see Section 1.2.3). The Cancellation Amount is paid on the date after the announcement of the notice of termination designated in the Final Terms.

### 5.1.3 Description of the rights under the Securities

Your rights under the individual Product Types for the Securities are described in Section 6. Descriptions of the Securities.

In the case of so-called Call Events, the Issuer is entitled to give an extraordinary notice of termination of the Securities and redeem them with the Cancellation Amount. The Cancellation Amount corresponds to the market value of the Securities plus any interest accrued up to but excluding the date of redemption. The Termination Events are set forth in the respective Conditions. Examples of situations under which the extraordinary rights to give notice of termination can be exercised include the following:

- A Successor does not correspond to the Transaction Type of the original Reference Entity.
- In the case of Product Types 1, 2 or 3, there is more than one Successor with regard to the Reference Entity.
- The prerequisites for Increased Hedging Costs, a Hedging Disruption or a Change in Law exist, to the extent this is provided for the Final Terms.
- In case of a floating Interest Rate, the Reference Rate disappears.

In the case of an extraordinary notice of termination, you completely lose your rights under the Securities. The exception is your claim for payment of the Cancellation Amount. However, there

is the risk that the Cancellation Amount is zero (0). In this situation, you incur a total loss of the amount paid by you to purchase the Securities.

**Comment on this point:** The purchase price paid for the Securities includes here and below all costs related to the purchase.

### **5.2 Interests of natural and legal persons involved in the issuance/offering of the Securities**

**Comment on this point:** To the extent the Issuer is referred to below, this also means the Issuer and its affiliated companies.

#### **(a) Other transactions**

The Issuer is active on a daily basis in the international and German securities, currency, credit derivatives and commodities markets. The Issuer can accordingly conclude transactions for the own account or for the account of customers that directly or indirectly relate to the Securities. When concluding these transactions, the Issuer can act as if the Securities had not been issued.

The Issuer can also conclude transactions with regard to the respective Reference Entity. Such transaction can have a negative effect on the value and/or the ability to trade the Securities. The Issuer can pursue economic interests which are contrary to your interests when doing so.

The Issuer can purchase and sell Securities for the own account or for the account of third parties and issue other Securities.

#### **(b) Business relations**

The Issuer can have a business relationship with the respective Reference Entity. Such a business relationship can, for example, be characterized by

- granting credit,
- providing support in financing in the capital market as a consortium bank or financial advisor or in a comparable function,
- custodian activities,
- business activities in connection with the management of risks, or
- consulting and trading activities.

This can reduce the value of the Securities you have acquired.



## 5. General Information on the Securities

This means the following with regard to the Securities: The Issuer can take measures it considers reasonable for the purpose of preserving its own interests under these transactions. When doing so, the Issuer is not required to take into account the effects on the Securities and on you as a Security Holder.

The Issuer can carry out and enter into transactions or participate in transactions which influence the credit standing of the Reference Entity. Such business relationships with the Reference Entity can indirectly negatively influence the probability of the occurrence of a Credit Event. This can lead to a conflict of interests on the side of the Issuer.

The Issuer is not issuing the Securities in order to shift risks for its own benefit. This means that no risks from the granting of credit to the Reference Entity are transferred to you when the Securities are issued. The Issuer will conclude hedging transactions when issuing the Securities, in order to hedge against the risks from the issuing of the Securities.

You should accordingly be aware: Obligations of the Issuer under the Securities are independent from the existence or the amount of a credit engagement by the Issuer with the respective Reference Entity. It is especially not necessary that the Issuer suffers a loss upon the occurrence of a Credit Event at a Reference Entity. Payments of interest and principal under the Securities can be reduced or not take place, even if the Issuer has not incurred any harm.

### *(c) Issuer's functions*

The Issuer functions as the main paying agent with regard to the Securities. The Issuer can also make certain determinations in accordance with the Conditions:

- The Issuer can determine Credit Events.
- The Issuer can calculate the Final Price for the Credit Event Redemption Amount.
- The Issuer can determine Successors in right for the Reference Entity.
- The Issuer can make other calculations or adjustments.

The Issuer determines the occurrence of a Credit Event and, under certain circumstance, the Final Price. The Issuer can also choose a price for the Valuation Obligations of the relevant Reference Entity which are adverse for you.

Furthermore, the Issuer can participate in ISDA auction proceedings after the occurrence of a Credit Event with regard to the Reference Entity. The value of the Reference Entity's Obligations is determined in this process. The Issuer can take actions in its own interest in accordance with the rules of the ISDA. The Issuer does not have to take into account the effects of these actions on the Securities and you as the Security Holder. You should be aware that the participation in ISDA auction proceedings can reduce the Credit Event Redemption Amount and, thus, the value of the Securities.

### **(d) Information related to the Reference Entity**

The Issuer can possess material information about the respective Reference Entity which is not public. You may not know this information. The Issuer is not required to disclose such information about the respective Reference Entity. Therefore, you must rely on publically information when analysing the credit risk of the Reference Entity.

### **(e) Pricing by the Issuer**

The Issuer or its affiliates can act as the Market Maker for the Securities.

The Market Maker is responsible for setting the prices for the Securities. The prices are then not directly determined by supply and demand. Therefore the setting of the price for the Securities differs from exchange trading, where the price relies on supply and demand.

The Issuer and its affiliates may also act as Market Maker for the Underlying.

Market Making can influence the price of the Underlying and thereby the value of the Securities. The prices set by the Market Maker will not always correspond to the prices which would develop in a liquid market. Bid and ask prices quoted by the Market Maker on the secondary market are determined on the basis of the fair value of the Securities. The fair value depends, among other things, on the value of the Underlying.

The Market Maker sets the spread between the bid and ask prices. The bid price is the price at which the Market Maker buys the Securities. The ask price is the price at which the Market Maker sells the Securities. The spread depends both on supply and demand for the Securities and on certain yield considerations. Some costs are deducted when pricing the Securities over the life of the Securities. However, this is not always done evenly over the term. Costs can be deducted in full from the fair value of the Securities at an early stage as determined by Market Maker. The prices quoted by the Market Maker may therefore deviate significantly from the fair value or the economically expected value of the Securities. In addition, the Market Maker may at any time change the method by which it determines the prices quoted. For example, the Market Maker may increase or decrease the spread between bid and ask prices.

### **5.3 Reasons for the offering of the Securities and the use of the proceeds**

The Issuer is free in using the net proceeds from issuing the Securities. The estimated net amount of proceeds and, in case of Securities with a denomination of less than EUR 100,000 or where otherwise applicable, the estimated total expenses of the issue/offer will be published in the relevant Final Terms.

### **5.4 Information about the Reference Entity**

Reference entities can be companies, countries or financial institutions. You will find details about this in Section 6.1.3. Reference Entities must have stocks or bonds listed on a regulated market within the meaning of Art. 4 para. 1 (21) of the Directive 2014/65/EU as of the time the

Securities are issued. This means that the Reference Entities are subject to extensive transparency duties under the law.

The Reference Entity(ies) are specified in the relevant Final Terms. Sources for additional information, including information whether or not these information can be obtained free of charge, can also be found in these Final Terms.

The Issuer will not provide any further information about the Reference Entity(ies) after issuing the Securities.

In the case of a Successor, the adjustment rules for replacing the Reference Entity by a Successor set forth in the Conditions apply. You can find details in Section 6.1.4. The definitions and the threshold values for determining a Successor are set forth in the Conditions.

### **5.5 Conditions and requirements for the offering of the Securities**

#### **5.5.1 Conditions, offering statistics, expected timing and required measures for the application**

The Securities can be offered to potential investors either with or without a subscription period.

##### ***(a) Offers of the Securities without a subscription period***

If securities are offered without a subscription period, the respective issue date for the Securities is published as the commencement of sales in the Final Terms.

##### ***(b) Offering of Securities with a subscription period***

If Securities are offered with a subscription period, the subscription period for the Securities is published in the Final Terms.

In order to purchase Securities, you must issue a subscription order to be forwarded to the Issuer within the subscription period. If provided for in the Final Terms, the Securities can be continuously and freely offered thereafter.

During the subscription period, the Issuer reserves the right to terminate the subscription or other possibilities for subscription early. The Issuer also reserves the right to reduce the subscriptions you have made. The Issuer also reserves the right to only partially allocate Securities.

The Issuer furthermore reserves the right not to issue the Securities. This especially applies if the demand during the subscription period is too low. In this event, all offers to purchase the Securities (subscriptions by potential purchasers) that have already been submitted become invalid. A corresponding announcement will be published on the website at [www.onemarkets.de](http://www.onemarkets.de).

Furthermore, the Issuer can reserve the right in the Final Terms to extend the subscription period. The details concerning the subscription period will be published in the Final Terms. The modali-

ties and the date for public announcement of the results of the offering will also be published there.

### 5.5.2 Additional information about the offering of the Securities

The specific conditions and requirements for the offering of the Securities will be stated and published in the Final Terms, since they will be fixed shortly before publication of the Final Terms. Examples:

- commencement of sales,
- subscription period,
- minimum or maximum amount in connection with the offering of the Securities.

## 5.6 Plan for distribution of the Securities and allocation of Securities

### 5.6.1 Potential investors, categories of investors

The Securities are offered to private clients, institutional investors and/or other qualified investors. The restrictions described in Section 5.1 and in Section "11.1 Selling Restrictions" must be observed.

In the Final Terms, the countries in which the Securities are offered will be published. The potential offering countries for a public offering of the Securities are: Croatia, Grand Duchy of Luxembourg and Poland.

### 5.6.2 Notification process or the possibility of subscribing

Securities can be offered with or without a subscription period. If the Securities without a subscription period, the notification is not required. In the case of Securities with a subscription period, the Securities allocated to you will be booked to your securities account at your securities account bank. There will be no separate notification in addition to the booking. You will accordingly expressly not be informed about the allocation.

### 5.6.3 Issue price for the Securities, pricing

#### *(a) Information about the price at which the Securities are offered (Issue Price)*

If the Securities are offered to you without a subscription period, the following applies: The initial issue price for the Securities is normally published in the Final Terms. The initial offer price is the price at which you are publically offered the Securities for the first time. The selling price of the Securities is subsequently fixed afterwards on an ongoing basis.

If you are offered the Securities during a subscription period, the following applies: The initial issue price fixed by the Issuer applies for all Securities during the subscription period. The initial issue price is published in the Final Terms. It is possible to provide that the Securities will contin-

ue to be freely offered for purchase by the Issuer after the subscription period. The Issuer will then set the issue price on an ongoing basis.

The issue price for the Securities is based on internal pricing models of the Issuer. This also applies for bid and ask prices posted by the Issuer during the term. These prices can include, in addition to an issue premium and a placement commission, also an expected margin which you cannot identify. The Issuer will keep this margin. This margin can include costs which the Issuer has incurred or will still incur. For example: costs of the Issuer for the structuring of the Securities, for the Issuer's hedging of risks and for distribution.

A sales commission or other commissions can be charged. This will be set forth in the Final Terms.

***(b) Other costs which are specifically charged to the subscriber or purchaser***

The Issuer will not charge any further costs to you other than the above-mentioned issue prices, subscription prices or selling prices. Direct banks, main banks or the respective securities exchange may charge further costs and taxes. The costs and taxes are to be inquired there.

The Final Terms will provide, to the extent known by the Issuer, those expenses of the Issuer contained in the issue price.

### **5.6.4 Delivery of the Securities**

The Global Note for the Securities will be deposited with the Clearing System on the value date set forth in the respective Final Terms. The delivery will be made in exchange for payment or without payment or under some other delivery process as set forth in the Final Terms. When purchasing the Securities after the issue date, the delivery will be made in accordance with the applicable, local market practices.

Securities in definitive form will not be delivered.

### **5.6.5 Admission of the Securities to trading and trading rules**

An application can be made to admit the Securities under this Base Prospectus to trading on an exchange, a third country market, a multilateral trading system and/or another exchange or another trading system (listing). E.g. the listing of the Securities on the official list of the Luxembourg Stock Exchange and admission to trading of the Securities on the regulated market of the Luxembourg Stock Exchange.

However, the Securities can also be offered without a listing.

### **5.6.6 Admission to trading**

The Issuer may intend to submit an application for listing. In this case, this will be set out in the Final Terms. This also applies for an application for admission to trading on a market and/or trad-

ing system in a third country. The Final Terms will state the earliest date on which the Securities will be admitted or are scheduled to be admitted to trading.

The Final Terms will also state all markets on which Securities in the same securities category are already admitted to trading. The Issuer, however, will only provide such information if the Issuer knows about such listings.

**Even if the Issuer submits such an application, there is no guarantee that the application will be granted. There is also no guarantee that active trading in the Securities will take place or develop. The Issuer does not assume an obligation to maintain the admission to trading during the term of the Securities.**

### **5.6.7 Name and address of the intermediaries in secondary trading**

If the Issuer or a third party appointed by the Issuer acts as the Market Maker under the Final Terms for the Securities, the following applies: The Market Maker will regularly submit bid and ask prices (purchase and selling prices) during the normal trading hours for the Securities under normal market conditions. This takes place for the purpose of providing liquidity in the respective Securities. In this situation, the Market Maker will act in accordance with the relevant rules of the respective trading locations.

If the Issuer retains intermediaries in secondary trading, the names and addresses of these institutions will be set out in the Final Terms. This information will only be given if institutions as intermediaries engage in secondary trading on the basis of a binding commitment. The publication includes a description of the main conditions for the intermediary's commitment.

### **5.6.8 Publications after completed issuance of the Securities**

The Issuer will not publish any information about the Securities after issuing the Securities. The Conditions provide for the publication of a notification in certain situations. This is the situation, for example, upon a succession when the Successor Notice is published. In these situations, the publication will take place on the website set forth in the Final Terms or a corresponding successor site. You can find the corresponding rules in § 12 of the Conditions.

The Issuer will publish significant new factors, material mistakes or material inaccuracies with regard to the information contained in the Base Prospectus. The publication will be made in a supplement to this Base Prospectus pursuant to Article 23 of the PR.

## **6. DESCRIPTION OF THE SECURITIES**

The Securities issued or offered under this Base Prospectus are described in Sections 6.1 to 6.8.

### **6.1 General information about the Securities**

#### **6.1.1 Product Types**

The Securities are issued with a fixed interest rate or with a step-up interest rate or a floating Interest Rate linked to a Reference Rate. The Securities refer to one or more Reference Entities.

There are six product variations for the Securities:

- Product Type 1: Securities which refer to a single company as the Reference Entity.
- Product Type 2: Securities which refer to a single country as the Reference Entity.
- Product Type 3: Securities which refer to a single financial institution as the Reference Entity.
- Product Type 4: Securities which refer to multiple companies as the Reference Entities.
- Product Type 5: Securities which refer to multiple countries as the Reference Entities.
- Product Type 6: Securities which refer to multiple financial institutions as the Reference Entities.

The following Sections explain exactly how the Securities function.

#### **6.1.2 Loss upon occurrence of a Credit Event**

The Securities will be redeemed at the Nominal Amount and bear interest. However, this is only the case if no Credit Event has occurred with regard to the respective Reference Entity.

If a Credit Event occurs, you receive the following payments as a Security Holder:

- Under Product Types 1, 2 and 3, the Nominal Amount will not be redeemed. Instead, you will receive the Credit Event Redemption Amount. This is normally substantially lower than the Nominal Amount. The accrual of interest will cease.

Example:

Nominal Amount: EUR 10,000. Redemption and interest payments of the Securities depends on the credit standing of the Reference Entity.

Assumption: A Credit Event occurs at the Reference Entity. ISDA auction proceedings are conducted.

The Credit Event Redemption Amount is fixed on the basis of the Auction Final Price for the Obligations of the Reference Entity.

Auction Final Price: 8%.

Credit Event Redemption Amount: EUR 800 (8% of EUR 10,000).

The Credit Event Redemption Amount (EUR 800) is paid to you as soon as the Credit Event Redemption Amount has been determined.

The interest payments on the Interest Payment Dates are no longer made after the occurrence of the Credit Event. If the Credit Event occurs prior to the first Interest Payment Date, you do not receive any interest for the Securities.

- In the case of Product Types 4, 5 and 6, the Reduced Nominal Amount as well as the Credit Event Redemption Amount of the Weighted Amount for the Reference Entity affected by a Credit Event is redeemed. The accrual of interest is reduced or ceases.

Example:

Nominal Amount: EUR 10,000. Redemption and Interest Payments on the Securities depend on the credit standing of four Reference Entities. The Weighted Amount for each Reference Entity is then EUR 2,500.

Assumption: A Credit Event occurs at a Reference Entity. ISDA auction proceedings are conducted.

The Reduced Nominal Amount is first determined: EUR 10,000 minus the Weighted Amount for the Reference Entity affected by the Credit Event (EUR 2,500). The Reduced Nominal Amount is EUR 7,500.

The Credit Event Redemption Amount with regard to the Weighted Amount for the affected Reference Entity is then determined. The basis for this is the Auction Final Price.

Auction Final Price: 8%.

Credit Event Redemption Amount: EUR 200 (8% of EUR 2,500).

The Credit Event Redemption Amount (EUR 200) is paid to you as soon as the Credit Event Redemption Amount has been determined. You receive the Reduced Nominal Amount (EUR 7,500) on the Scheduled Maturity Date.



The interest payments on the Interest Payment Days after the occurrence of the Credit Event are determined then only on the basis of the Reduced Nominal Amount (EUR 7,500). They are accordingly reduced by 25%.

The Credit Event Redemption Amount can also be further reduced by deduction of a Swap Unwind Amount of the Issuer. The deduction of the Swap Unwind Amount can lead to a total loss of the amount paid for the purchase, although the Securities have a positive Credit Event Redemption Amount.

By purchasing the Securities, you assume additional risks in addition to the risks related to the ability of the Issuer to make payments. These risks result from the fact that a Credit Event can occur with regard to the Reference Entity(ies).

If that situation occurs, you receive an amount which is normally substantially lower than the Nominal Amount. Interest payments on Interest Payment Dates which fall after the occurrence of a Credit Event can also be lost. Under certain circumstances, you may even incur a total loss if the Credit Event Redemption Amount is zero (0).

The Securities provide for interest payments that are above the market interest rate as consideration for assuming this risk. The interest payments, namely, include a risk-based interest premium (risk premium) with regard to the Reference Entity(ies).

### 6.1.3 Reference Entities

A single Reference Entity will be specified in the Final Terms for Product Types 1, 2 and 3. Multiple Reference Entities will be specified for Product Types 4, 5 and 6. These Reference Entities are:

- in the case of Product Type 1, a company
- in the case of Product Type 2, a country, and
- in the case of Product Type 3, a financial institution.
- in the case of Product Type 4, multiple companies
- in the case of Product Type 5, multiple countries,
- in the case of Product Type 6, multiple financial institutions.

In the case of Product Types 4, 5 and 6, the weightings given to the individual Reference Entities are equal. Therefore, mathematically a Weighted Amount corresponding to the equally weighted portion of the Nominal Amount is attributed to each Reference Entity.

Example:

Nominal Amount: EUR 10,000.

Assumption: four Reference Entities

Weighted Amount for each Reference Entity: EUR 2,500.

A transaction type will be attributed in the Final Terms to each Reference Entity based on its type (company, country or financial institution) or its region of origin. For example: "European corporate", "North American corporate", "Western European sovereign", "Emerging European & Middle Eastern sovereign", "European financial corporate", "Australian financial corporate". Depending on the transaction type, the Final Terms will provide that certain provisions in the Conditions are applicable or not applicable.

Reference Entities can be replaced under the respective Final Terms upon the occurrence of a succession by one or more Successors. This can also lead to an adjustment of their weighting and the Weighted Amounts attributable to the Reference Entity(ies). You will find details about succession in Section 6.1.4.

The Issuer will assure the following when offering Securities to private investors: Companies, financial institutions or countries will be used as Reference Entities which satisfy the following criteria:

- official rating from the rating agencies Standard & Poor's or Fitch Ratings in the categories "AAA" to "BBB-", or
- official rating by the rating agency Moody's in the categories "Aaa" to "Baa3".

These criteria must be satisfied on the first day of the public offer of the respective Securities. It is sufficient if one of the designated rating agencies has classified the Reference Entity accordingly.

The Issuer can also orient itself on the criteria of the European Central Bank for the "Eurosystem credit assessment framework ("ECAF")".

If there is no official rating from a rating agency recognized by the European Central Bank, the Issuer will itself evaluate the Reference Entity(ies). The Issuer will then examine whether the credit standing of the respective Reference Entity corresponds to a rating in the above designated categories. The Issuer will apply comparable standards that are also applied by the rating agencies. The examination of the respective Reference Entity by the Issuer will be made through the own credit research. In the case of multiple Reference Entities, all Reference Entities must satisfy these criteria.

### **6.1.4 Successors**

A Succession which is relevant for the Securities with regard to a Reference Entity can occur between the Issue Date and the Final Determination Date. A replacement of the Reference Entity by a Successor takes effect upon publication of a corresponding Succession Notice by the Issuer.

#### **(a) *Securities with one Reference Entity (Product Types 1, 2 and 3)***

In the case of Securities with one Reference Entity, the Issuer can replace the Reference Entity with one or more Successors in the case of succession. The respective Final Terms contained provisions about selecting the Successor(s). If the Issuer publishes a Credit Event Notice prior to the occurrence of succession, no Successor will be determined.

If the Issuer determines more than one Successor for the Reference Entity, the Securities relate proportionately to each of the Successors.

Example:

Nominal Amount: EUR 10,000.

Assumption: The Reference Entity is replaced by two Successors. Thus, EUR 5,000 are allocated to each Successor.

If a Credit Event occurs at one Successor, the amount which bears interest is reduced to EUR 5,000. You receive the Credit Event Redemption Amount on the Settlement Date. This Credit Event Redemption Amount is determined for the relevant Successor with regard to its portion in the Nominal Amount (EUR 5,000). You also receive an amount of EUR 5,000 on the Scheduled Maturity Date.

Special grounds for an early termination also exist in this situation. The Issuer is entitled to give extraordinary notice of termination of the Securities for the Cancellation Amount. If the Issuer does not issue an extraordinary notice of termination, a Credit Event can occur for each successor Reference Entity.

**(b) *Securities with multiple Reference Entities (Product Types 4, 5 and 6)***

In the case of Securities with multiple Reference Entities, the Issuer can replace the Reference Entity affected by a succession with one or more Successors. The respective Final Terms contain provisions about selecting the Successor(s).

A Reference Entity can also be a Successor of another Reference Entity if the prerequisites for selecting this Reference Entity as a Successor are satisfied.

In the case of replacement of a Reference Entity by only one Successor, the Weighted Amount for that Successor corresponds to the Weighted Amount of the replaced Reference Entity.

In the case of replacement of a Reference Entity by multiple Successors, the following applies: The Weighted Amount for each Successor corresponds to the Weighted Amount of the Reference Entity divided by the number of Successors.

Example:

Nominal Amount: EUR 10,000.

Assumption: From among four Reference Entities, one Reference Entity is replaced by two Successors.

The Weighted Amount of the three original Reference Entities continues to be EUR 2,500 each. The Weighted Amount for the two Successors is in each case EUR 1,250.

If a Successor is already a Reference Entity, the following applies: The Weighted Amount of this Reference Entity is increased, compared to the other Reference Entities, by this additional Weighted Amount.

Example:

Nominal Amount: EUR 10,000.

Assumption: There are four Reference Entities A, B, C and D. The Reference Entity A takes over the Reference Entity D.

A is, thus, the Successor to D. The Weighted Amount of A is increased to EUR 5,000. The Weighted Amounts of the Reference Entities B and C continues to be EUR 2,500.

No Successor is determined for a Reference Entity for which the Issuer has published a Credit Event Notice prior to the occurrence of succession.

A Reference Entity for which the Issuer has published a Credit Event Notice can become the Successor of another Reference Entity. This possibility exists if the Issuer has still not published a Credit Event Notice for the "changed out" Reference Entity.

### 6.1.5 Credit Events

Credit Events describe the occurrence or the threatening occurrence of various economically adverse circumstances from the point of view of the creditors of the respective Reference Entity. Credit Events are accordingly an expression of a material negative development in the credit standing of the Reference Entity.

However, a Credit Event can only be considered if the Issuer has learned about the occurrence of a Credit Event at a Reference Entity. The Issuer must have obtained this knowledge on the basis of publicly available information. All requirements for the occurrence of a Credit Event must be satisfied by the affected Reference Entity(ies). You will find the details for these requirements in Sections 6.2.7, 6.3.7, 6.4.7, 6.5.8, 6.6.8 and 6.7.8.

**Comment on this point:** If the descriptions of the Securities refer to a Credit Event at one Reference Entity, the following applies: Only those Credit Events are meant for which all Requirements for the Occurrence of a Credit Event described in the Conditions are satisfied. This applies especially if the Credit Event triggers a reduction or deferral of the payments of interest and/or redemption of the Securities.

The Final Terms can, depending on the Transaction Type of the Reference Entity, provide for one or more of the following Credit Events:

- Bankruptcy,
- Failure to Pay,
- Restructuring,
- Repudiation/Moratorium,
- Potential Obligation Acceleration,

- Obligation Acceleration,
- Governmental Intervention.

This means that the Securities, in addition to the credit standing of the Issuer, above all depend on the credit standing of the Reference Entity. You receive the payments contemplated in the Conditions in the intended amount if no Credit Event has occurred. Upon the occurrence of a Credit Event, you incur a partial or complete loss with regard to interest payments and redemption.

Various Credit Events are differentiated.

- (i) **Credit Event Bankruptcy:** The Credit Event Bankruptcy can occur at companies or financial institutions. The Credit Event exists, for example, if insolvency proceedings or comparable proceedings have been initiated with regard to the Reference Entity. The Credit Event Bankruptcy can also occur in the case of liquidation or inability of the Reference Entity to meet its ongoing payment obligations or over-indebtedness.
- (ii) **Credit Event Failure to Pay:** The Credit Event Failure to Pay can occur in all types of Reference Entities.

A Credit Event Failure to Pay occurs, for example, if the Reference Entity has not paid an Obligation or has not done so on time. However, certain threshold values must be taken into account for this purpose. The Failure to Pay must accordingly exist with regard to an amount having a specific volume (US Dollars 1 million). The Failure to Pay smaller amounts does not lead to the occurrence of the Credit Event Failure to Pay.

A Credit Event Failure to Pay can also occur due to a redenomination of a currency as a consequence of actions taken by a public authority. This applies in the following situation: The redenomination of the currency leads to a reduction in the interest payments, payments of principal or other payments for Obligations of the Reference Entity.

- (iii) **Credit Event Restructuring:** The Credit Event Restructuring can occur in all types of Reference Entities.

The Credit Event occurs, for example, in the following situations:

- The interest rate or the amount of principal of one or more Obligations of the Reference Entity are reduced or their due date is extended.
- The payments for one or more Obligations of the Reference Entity are deferred.
- The ranking of one or more Obligations of the Reference Entity are adversely changed, or there is a redenomination of a currency.

A prerequisite for one of the above-described Restructurings is that the credit standing or the financial situation of the relevant Reference Entity deteriorates.

The restructuring must be made in a form which is binding for all creditors of the respective Obligation. In all situations, the threshold values described in the Final Terms with regard to the relevant Obligation must be taken into account.

A redenomination from Euro to another currency does not constitute a Restructuring under the following conditions:

- At the time of the currency redenomination, there is a freely available standard market conversion rate between the Euro and the other currency, and;
- Payments of interest, principal or other payments for Obligations of the Reference Entity are not reduced upon redenomination at this freely available standard market conversion rate.

- (iv) **Credit Event Repudiation/Moratorium:** The Credit Event Repudiation/Moratorium can occur for countries and certain companies.

This Credit Event occurs, for example, in the following situations:

- A Reference Entity or a public authority completely or partially disputes the existence of an Obligation. A Reference Entity or a public authority does not acknowledge an Obligation or rejects the Obligation or disputes its validity.
- A Reference Entity or a public authority declares or in fact or legally takes one of the following measures with regard to an Obligation: a moratorium, a standstill of payments, an extension of payments or a deferral of payments.

A prerequisite for the occurrence of this Credit Event is also that an Obligation is not paid at all or not paid within the stated time frame. This also applies if a restructuring of the Obligation takes place.

In all situations, the threshold values described in the Final Terms with regard to the relevant Obligation must be taken into account.

- (v) **Potential Obligation Acceleration:** The Credit Event Potential Obligation Acceleration can occur in all types of Reference Entities.

It occurs, for example, if one or more Obligations of a Reference Entity could be terminated or accelerated. Reason: non-performance of the Obligation or another breach of contract.

- (vi) **Credit Event Obligation Acceleration:** The Credit Event Obligation Acceleration can occur in all types of Reference Entities.

A Credit Event Obligation Acceleration occurs, for example, in the following situations:

One or more Obligations of a Reference Entity are accelerated. Reason: There is a breach of contract by the Reference Entity, or grounds for termination contained in the Conditions or a similar event occurs.

In all cases, the threshold values described in the Final Terms with regard to the affected Obligation must be taken into account.

- (vii) **Credit Event Governmental Intervention:** The Credit Event Governmental Intervention can occur in the case of financial institutions.

There is a Governmental Intervention, for example, if the interest rate or the amount of principal is reduced for an unsubordinated Obligation of the Reference Entity. Governmental Intervention also exists if the due date is extended, payments are deferred or the ranking of the unsubordinated Obligation is adversely changed.

The Governmental Intervention occurs by means of a measure or announcement by a Governmental Authority which is binding for the Reference Entity. This can also occur on the basis of a provision in the law which involves the recovery or resolution of the Reference Entity (or a comparable legal provision).

Governmental Intervention exists, for example, also in the following situations: Claims of creditors under an unsubordinated Obligation are expropriated, transferred or terminated or are subject to a mandatory exchange.

It is irrelevant in this regard, whether the contracts about the relevant Obligations expressly provide for such Governmental Intervention. Therefore, you should pay attention to the following with regard to the application of this Credit Event in the case of a Reference Entity:

The applicable law governing recoveries and resolutions for a financial institution can authorise substantial impact and intervention in the Obligations of a financial institution. Measures up to and including a reduction of the debt are conceivable. These measures can already be taken in advance of insolvency. Such measures can especially be carried out if the financial institution threatens to fail or if there is reason to fear the cancellation of the banking license.

In the case of Securities which refer to **financial institutions**, the following must especially be considered: **They depend to a high degree on the content and scope of the applicable national legislation on recoveries and resolutions.**

A Credit Event which is relevant for the Securities must occur within the Observation Period set out in the Final Terms. In special situations, the Credit Event can also occur after the end of the Observation Period. This is the case if a notice of a potentially occurring Credit Event has been issued.

Furthermore, the Issuer must publish a Credit Event in the so-called Credit Event Notice within the Observation Period. In special situations, the Issuer can publish this notice also at the latest within one year after the end of the Observation Period.

You will find the further Requirements for the Occurrence of a Credit Event in Sections 6.2.7, 6.3.7, 6.4.7, 6.5.8, 6.6.8 and 6.7.8.

### 6.1.6 Deferral of payments

The Issuer can defer payments on the Securities. The Requirements for a Payment Deferral must be satisfied for this purpose.

The provision has the following background: In certain situations, the Issuer needs time in order to learn whether a Credit Event exists. The Issuer can especially wait to see what resolution the

ISDA Determination Committee adopts. The ISDA Determination Committee examines the issue of whether a circumstance exists at the Reference Entity which can constitute a Credit Event.

In the case of the applicability of the Credit Event Repudiation/Moratorium, a deferral within the time periods set forth in the Conditions is permissible. This applies under two prerequisites: The Occurrence of this Credit Event threatens due to a corresponding announcement. The determinative, outstanding payment Obligation of the relevant Reference Entity, however, is not yet due and could still be fulfilled.

In the case of the Credit Event Failure to Pay, the Final Terms can provide that a grace period will be fully taken into account: A payment deferral occurs if a Credit Event threatens due to a corresponding payment which has not been made. The determinative, outstanding payment obligation of the Reference Entity is due, but could not yet be fulfilled.

The payment deferral can be for up to one year and five Banking Days. You will find details about this in the Sections 6.2.3, 6.2.6, 6.2.8, 6.3.3, 6.3.6, 6.3.8, 6.4.3, 6.4.6, 6.4.8, 6.5.3, 6.5.7, 6.5.9, 6.6.4, 6.6.7, 6.6.9, 6.7.4, 6.7.7 and 6.7.9.

### **6.2 Product Type 1: Features of the Securities which refer to a single company**

#### **6.2.1 Interest during the term when a Credit Event has not occurred**

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to the Reference Entity.

##### **(a) *Fixed interest Securities***

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

##### **(b) *Securities with step-up interest***

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day



Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

*(c) Securities with floating interest linked to a Reference Rate*

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2) on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.2.2 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at a Reference Entity, the interest accrual ceases early, or there is not even any interest. The Final Terms can provide that the interest accrual ceases on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. The Securities then no longer bear interest for the time between the previous Interest Payment Date and the Settlement Date.

If no Interest Payment Date precedes the Credit Event Notice, the Securities will not bear any interest in this situation.

The Final Terms can provide, in the alternative, that the interest accrual ceases on the corresponding Credit Event Effective Date. The Securities will then bear interest from the commencement of interest or the last Interest Payment Date until the corresponding Credit Event Effective Date. The payment of the Interest Amount is made on the Settlement Date.

### **6.2.3 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist, the Issuer can pay the Interest Amount that becomes due on the relevant Interest Payment Date. Deferred interest payments are made at the latest on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

### **6.2.4 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to the Reference Entity.

### **6.2.5 Redemption after the occurrence of a Credit Event**

If a Credit Event occurs at the Reference Entity, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the Credit Event Redemption Amount on the Settlement Date.

### **6.2.6 Deferred redemption at the Nominal Amount**

If the Requirements for a Payment Deferral exist, the Issuer can defer the redemption of the Nominal Amount. The deferred redemption of the Nominal Amount is then made at the latest on the Deferred Redemption Date. The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.

### **6.2.7 Requirements for the Occurrence of a Credit Event**

The Requirements for the Occurrence of a Credit Event are fulfilled in the following situations:

## 6. Description of the Securities

(1) A Credit Event occurs within the Observation Period. The Issuer also issues a Credit Event Notice with regard to this Credit Event within the Observation Period. Or

(2) in addition, if the basic situation (2) does not exist with regard to the timing:

(a) A Credit Event occurs within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period. Or:

(b) In the event that the Final Terms provide for the Credit Event Repudiation/Moratorium for the Reference Entity, the following additionally applies:

A Potential Repudiation/Moratorium occurs within the Observation Period. The Issuer announces this in a Potential Repudiation/Moratorium Notice. The Credit Event then occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can be issued also after the Observation Period.

(c) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay, the following additionally applies:

A Potential Failure to Pay occurs within the Observation Period. The Issuer announces this in a Potential Failure to Pay Notice. The Credit Event occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

A Potential Repudiation/Moratorium Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Repudiation/Moratorium. This notice must refer to a Potential Repudiation/Moratorium which has occurred within the Observation Period.

A Potential Failure to Pay Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Failure to Pay. This notice must refer to a Potential Failure to Pay which occurs within the Observation Period.

The Credit Event Effective Date is the earlier of the two following points in time:

(i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or

(ii) the date which immediately precedes the date of the Credit Event Notice.

### 6.2.8 Requirements for a Payment Deferral

It can take a long time until the Issuer has determined a Credit Event. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist in the following situations:

- (1) Credit Event Resolution Request Date occurs within the Observation Period. Or:
- (2) In the event that the Final Terms provide for a Credit Event Repudiation/Moratorium for the Reference Entity: The Issuer issues a Potential Repudiation/Moratorium Notice within the Observation Period. Or:
- (3) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay: The Issuer issues a Potential Failure to Pay a Notice within the Observation Period.

The payment deferral is permissible for a period of up to one year. The period begins with the Credit Event Resolution Request Date. In the alternative, it can also begin with the Potential Repudiation/Moratorium Notice or a Potential Failure to Pay Notice.

If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the Deferred Interest Payment Date or the Deferred Redemption Date.

The Deferred Interest Payment Date or the Deferred Redemption Date is the date which falls one year and five Banking Days

- after the Credit Event Resolution Request Date, or
- after the Potential Repudiation/Moratorium Notice, or
- after the Potential Failure to Pay Notice.

### 6.3 Product Type 2: Features of the Securities which refer to a single country

#### 6.3.1 Interest during the term when a Credit Event has not occurred

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to the Reference Entity.

##### *(a) Fixed interest Securities*

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Bank-

ing Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### *(b) Securities with step-up interest*

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### *(c) Securities with floating interest linked to a Reference Rate*

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2) on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.3.2 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at a Reference Entity, the interest accrual ceases early, or there is not even any interest. The Final Terms can provide that the interest accrual ceases on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. The Securities then no longer bear interest for the time between the previous Interest Payment Date and the Settlement Date.

If no Interest Payment Date precedes the Credit Event Notice, the Securities will not bear any interest in this situation.

The Final Terms can provide, in the alternative, that the interest accrual ceases on the corresponding Credit Event Effective Date. The Securities will then bear interest from the commencement of interest or the last Interest Payment Date until the corresponding Credit Event Effective Date. The payment of the Interest Amount is made on the Settlement Date.

### **6.3.3 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist, the Issuer can pay the Interest Amount that becomes due on the relevant Interest Payment Date. Deferred interest payments are made at the latest on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

### **6.3.4 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to the Reference Entity.

### 6.3.5 Redemption after the occurrence of a Credit Event

If a Credit Event occurs at the Reference Entity, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the Credit Event Redemption Amount on the Settlement Date.

### 6.3.6 Deferred redemption at the Nominal Amount

If the Requirements for a Payment Deferral exist, the Issuer can defer the redemption of the Nominal Amount. The deferred redemption of the Nominal Amount is then made at the latest on the Deferred Redemption Date. The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.

### 6.3.7 Requirements for the Occurrence of a Credit Event

The Requirements for the Occurrence of a Credit Event are fulfilled in the following situations:

- (1) A Credit Event occurs within the Observation Period. The Issuer also issues a Credit Event Notice with regard to this Credit Event within the Observation Period. Or
- (2) in addition, if the basic situation (2) does not exist with regard to the timing:
  - (a) A Credit Event occurs within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period. Or:
  - (b) A Potential Repudiation/Moratorium occurs within the Observation Period. The Issuer announces this in a Potential Repudiation/Moratorium Notice. The Credit Event then occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can be issued also after the Observation Period.
  - (c) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay, the following additionally applies:

A Potential Failure to Pay occurs within the Observation Period. The Issuer announces this in a Potential Failure to Pay Notice. The Credit Event occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

A Potential Repudiation/Moratorium Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Repudiation/Moratorium.

This notice must refer to a Potential Repudiation/Moratorium which has occurred within the Observation Period.

A Potential Failure to Pay Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Failure to Pay. This notice must refer to a Potential Failure to Pay which occurs within the Observation Period.

The Credit Event Effective Date is the earlier of the two following points in time:

- (i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or
- (ii) the date which immediately precedes the date of the Credit Event Notice.

### **6.3.8 Requirements for a Payment Deferral**

It can take a long time until the Issuer has determined a Credit Event. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist in the following situations:

- (1) Credit Event Resolution Request Date occurs within the Observation Period. Or:
- (2) The Issuer issues a Potential Repudiation/Moratorium Notice within the Observation Period. Or:
- (3) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay: The Issuer issues a Potential Failure to Pay a Notice within the Observation Period.

The payment deferral is permissible for a period of up to one year. The period begins with the Credit Event Resolution Request Date. In the alternative, it can also begin with the Potential Repudiation/Moratorium Notice or a Potential Failure to Pay Notice.

If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the Deferred Interest Payment Date or the Deferred Redemption Date.

The Deferred Interest Payment Date or the Deferred Redemption Date is the date which falls one year and five Banking Days

- after the Credit Event Resolution Request Date, or
- after the Potential Repudiation/Moratorium Notice, or
- after the Potential Failure to Pay Notice.

## **6.4 Product Type 3: Features of the Securities which refer to a single financial institution**

### **6.4.1 Interest during the term when a Credit Event has not occurred**

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to the Reference Entity.



### **(a) Fixed interest Securities**

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### **(b) Securities with step-up interest**

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### **(c) Securities with floating interest linked to a Reference Rate**

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2) on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.4.2 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at a Reference Entity, the interest accrual ceases early, or there is not even any interest. The Final Terms can provide that the interest accrual ceases on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. The Securities then no longer bear interest for the time between the previous Interest Payment Date and the Settlement Date.

If no Interest Payment Date precedes the Credit Event Notice, the Securities will not bear any interest in this situation.

The Final Terms can provide, in the alternative, that the interest accrual ceases on the corresponding Credit Event Effective Date. The Securities will then bear interest from the commencement of interest or the last Interest Payment Date until the corresponding Credit Event Effective Date. The payment of the Interest Amount is made on the Settlement Date.

### **6.4.3 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist, the Issuer can pay the Interest Amount that becomes due on the relevant Interest Payment Date. Deferred interest payments are made at the lat-

est on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

### **6.4.4 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to the Reference Entity.

### **6.4.5 Redemption after the occurrence of a Credit Event**

If a Credit Event occurs at the Reference Entity, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the Credit Event Redemption Amount on the Settlement Date.

### **6.4.6 Deferred redemption at the Nominal Amount**

If the Requirements for a Payment Deferral exist, the Issuer can defer the redemption of the Nominal Amount. The deferred redemption of the Nominal Amount is then made at the latest on the Deferred Redemption Date. The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.

### **6.4.7 Requirements for the Occurrence of a Credit Event**

The Requirements for the Occurrence of a Credit Event are fulfilled in the following situations:

- (1) A Credit Event occurs within the Observation Period. The Issuer also issues a Credit Event Notice with regard to this Credit Event within the Observation Period. Or
- (2) in addition, if the basic situation (2) does not exist with regard to the timing:

A Credit Event occurs within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

The Credit Event Effective Date is the earlier of the two following points in time:

- (i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or
- (ii) the date which immediately precedes the date of the Credit Event Notice.

### **6.4.8 Requirements for a Payment Deferral**

It can take a long time until the Issuer has determined a Credit Event. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist if a Credit Event Resolution Request Date occurs within the Observation Period.

The payment deferral is permissible for a period of up to one year after the Credit Event Resolution Request Date. If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the Deferred Interest Payment Date or the Deferred Redemption Date. The Deferred Interest Payment Date or the Deferred Redemption Date is the date which falls one year and five Banking Days after the Credit Event Resolution Request Date.

### **6.5 Product Type 4: Features of the Securities which refer to multiple companies as the Reference Entities**

#### **6.5.1 Weighted Amounts**

In the case of Securities with multiple Reference Entities, a mathematical portion of the Nominal Amount of the Note is attributed to each Reference Entity. The amount of the portion corresponds to the weighting of the Reference Entity (the "**Weighted Amount**"). The weighting of the Reference Entities is the same. The respective Weighted Amount is the relevant portion of the Nominal Amount which can be affected by a Credit Event at the respective Reference Entity.

##### Example:

Nominal Amount: EUR 10,000.

Number of Reference Entities: 4.

Weighted Amount for each Reference Entity: EUR 2,500.

If a Credit Event occurs at one or more Reference Entity(ies), the interest payments and redemption are subsequently based on the Reduced Nominal Amount.

The Reduced Nominal Amount is determined as follows: Nominal Amount minus the sum of the Weighted Amounts of those Reference Entities for which a Credit Event has occurred.

##### Example:

Nominal Amount: EUR 10,000.

Number of Reference Entities: 4.

Credit Event occurs at one Reference Entity.

Reduced Nominal Amount: 7,500.

You should pay attention that a Credit Event can occur with regard to all Reference Entities in this Product Type. This then leads to continuing reductions or even to a complete elimination of interest. Furthermore, the Reduced Nominal Amount is continuously reduced. It can even decrease to

zero (0). This is the case if a Credit Event occurs at all Reference Entities. The further details of how these Securities function are described below.

### 6.5.2 Interest during the term when a Credit Event has not occurred

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to one or more Reference Entities.

#### (a) *Fixed interest Securities*

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

#### (b) *Securities with step-up interest*

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

#### (c) *Securities with floating interest linked to a Reference Rate*

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2)

on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.5.3 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at one or more Reference Entities, the interest accrual on the Securities is subsequently based on the Reduced Nominal Amount. The Final Terms can provide that the interest accrual on the Reduced Nominal Amount commences on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. If there is no previous Interest Payment Date, the interest on the Reduced Nominal Amount starts to run when the interest commences. The payment of the Interest Amount for the Reduced Nominal Amount is made for the first time on the Interest Payment Date which follows the corresponding Credit Event Effective Date.

In the alternative, the Final Terms can provide that the interest accrual on the Reduced Nominal Amount will commence on the corresponding Credit Effective Date. In this event, the Interest Amount attributable to the Weighted Amount of the relevant Reference Entity is paid on the Settlement Date. The payment of the Interest Amount for the Reduced Nominal Amount is made on the next Interest Payment Date.

If a Credit Event has occurred at all Reference Entities, the Reduced Nominal Amount is zero (0). The interest accrual on the Securities then ceases on the preceding Interest Payment Date or no interest accrue at all. In the alternative, the Final Terms provide that the interest accrual ceases on the date of publication of the last Credit Event Notice.

Example:

Nominal Amount: EUR 10,000.

Interest Rate: 3%.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entity D.

Reduced Nominal Amount: EUR 7,500 (effective at the beginning of the Interest Period).

Interest Amount after the occurrence of the Interest Event: EUR 225 (3% on EUR 7,500).

### **6.5.4 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist with regard to one or more Reference Entities, future Interest Payments can be deferred. The deferral relates to the entire Interest Amount.

Deferred interest payments are made at the latest on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

If it turns out after a payment deferral that a Credit Event has actually occurred, the interest on the Securities is then finally owed only on the then applicable Reduced Nominal Amount (see Section 6.5.3.). This means that you no longer receive the portion of the interest attributable to the Weighted Amount of the affected Reference Entity, depending on the applicable accrual of interest on a Credit Event, or only receive the interest up to the date of publication of the Credit Event Notice.

### **6.5.5 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to one of the Reference Entities.

### 6.5.6 Redemption after the occurrence of a Credit Event

If a Credit Event occurs at one or more Reference Entities, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the following payments: You receive the Reduced Nominal Amount on the Scheduled Maturity Date. The Credit Event Redemption Amount is paid for each Reference Entity affected by a Credit Event on the respective Settlement Date. The Credit Event Redemption Amount for the affected Reference Entity is determined on the basis of that Reference Entity's Weighted Amount. The respective Settlement Date can fall before or after the Scheduled Maturity Date.

Example:

Nominal Amount: EUR 10,000.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entities C and D.

Weighted Amount of C: EUR 2,500.

Weighted Amount of D: EUR 2,500.

Reduced Nominal Amount: EUR 5,000.

Auction Final Price for C: 8%.

Auction Final Price for D: 5%.

Credit Event Redemption Amount based on the Weighted Amount of C: EUR 200.

Credit Event Redemption Amount based on the Weighted Amount of D: EUR 125.

You accordingly receive EUR 5,325 instead of EUR 10,000.

If a Credit Event occurs with regard to all Reference Entities, the Reduced Nominal Amount is zero (0). You then only receive the respective Credit Event Redemption Amount with regard to each Reference Entity.

### 6.5.7 Deferred Redemption

If the Requirements for a Payment Deferral exist at one or more Reference Entities, the Issuer can defer the redemption. The deferral is based on the total Nominal Amount or the Reduced Nominal Amount. The Issuer can also defer the interest payment (see Section 6.5.4).

The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.



### 6.5.8 Requirements for the Occurrence of a Credit Event

The Requirements for the Occurrence of a Credit Event are fulfilled with regard to one Reference Entity in the following situations:

- (1) A Credit Event occurs within the Observation Period with regard to one or more Reference Entities. The Issuer also issues a Credit Event Notice with regard to the respective Credit Event within the Observation Period. Or

- (2) in addition, if the basic situation (2) does not exist with regard to the timing:

- (a) A Credit Event occurs with regard to one or more Reference Entities within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period. Or:

- (b) If the Final Terms provide for the Credit Event Repudiation/Moratorium for the Reference Entity(ies), the following additionally applies:

A Potential Repudiation/Moratorium occurs at one or more Reference Entities within the Observation Period. The Issuer announces this in a Potential Repudiation/Moratorium Notice. The Credit Event then occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to the Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can be issued also after the Observation Period.

- (c) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay, the following additionally applies:

A Potential Failure to Pay occurs within the Observation Period. The Issuer announces this in a Potential Failure to Pay Notice. The Credit Event occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

A Potential Repudiation/Moratorium Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Repudiation/Moratorium. The Notice of a Potential Repudiation/Moratorium must refer to a Potential Repudiation/Moratorium which has occurred within the Observation Period.

A Potential Failure to Pay Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Failure to Pay. This notice must refer to a Potential Failure to Pay which occurs within the Observation Period.

The Credit Event Effective Date is the earlier of the two following points in time:

- (i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or
- (ii) the date which immediately precedes the date of the Credit Event Notice.

### **6.5.9 Requirements for a Payment Deferral**

It can take a long time until the Issuer has determined a Credit Event with regard to one or more Reference Entities. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist in the following situations with regard to one or more Reference Entities:

- (1) Credit Event Resolution Request Date with regard to one or more Reference Entities occurs within the Observation Period. Or:
- (2) In the event that the Final Terms provide for a Credit Event Repudiation/Moratorium for the Reference Entity(ies): The Issuer issues a Potential Repudiation/Moratorium Notice with regard to one or more Reference Entities within the Observation Period. Or:
- (3) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay: The Issuer issues a Potential Failure to Pay Notice within the Observation Period.

The payment deferral is permissible for a period of up to one year. The period begins with the Credit Event Resolution Request Date. In the alternative, it can also begin with the Potential Repudiation/Moratorium Notice or a Potential Failure to Pay Notice.

If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the respective Deferred Interest Payment Date or the Deferred Redemption Date.

The Deferred Interest Payment Date or the Deferred Redemption Date for the relevant Reference Entity is the date which falls one year and five Banking Days

- after the Credit Event Resolution Request Date, or
- after the Potential Repudiation/Moratorium Notice or
- after the Potential Failure to Pay Notice.

## **6.6 Product Type 5: Features of the Securities which refer to multiple countries as the Reference Entities**

### **6.6.1 Weighted Amounts**

See on this aspect the description for Product Type 4 at point 6.5.1.

### 6.6.2 Interest during the term when a Credit Event has not occurred

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to one or more Reference Entities.

#### (a) *Fixed interest Securities*

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

#### (b) *Securities with step-up interest*

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

#### (c) *Securities with floating interest linked to a Reference Rate*

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2) on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to

or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.6.3 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at one or more Reference Entities, the interest accrual on the Securities is subsequently based on the Reduced Nominal Amount. The Final Terms can provide that the interest accrual on the Reduced Nominal Amount commences on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. If there is no previous Interest Payment Date, the interest on the Reduced Nominal Amount starts to run when the interest commences. The payment of the Interest Amount for the Reduced Nominal Amount is made for the first time on the Interest Payment Date which follows the corresponding Credit Event Effective Date.

In the alternative, the Final Terms can provide that the interest accrual on the Reduced Nominal Amount will commence on the corresponding Credit Effective Date. In this event, the Interest Amount attributable to the Weighted Amount of the relevant Reference Entity is paid on the Settlement Date. The payment of the Interest Amount for the Reduced Nominal Amount is made on the next Interest Payment Date.

If a Credit Event has occurred at all Reference Entities, the Reduced Nominal Amount is zero (0). The interest accrual on the Securities then ceases on the preceding Interest Payment Date or no interest accrue at all. In the alternative, the Final Terms provide that the interest accrual ceases on the date of publication of the last Credit Event Notice.

Example:

Nominal Amount: EUR 10,000.

Interest Rate: 3%.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entity D.

Reduced Nominal Amount: EUR 7,500 (effective at the beginning of the Interest Period).

Interest Amount after the occurrence of the Interest Event: EUR 225 (3% on EUR 7,500).

### **6.6.4 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist with regard to one or more Reference Entities, future Interest Payments can be deferred. The deferral relates to the entire Interest Amount.

Deferred interest payments are made at the latest on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

If it turns out after a payment deferral that a Credit Event has actually occurred, the interest on the Securities is then finally owed only on the then applicable Reduced Nominal Amount (see Section 6.5.3.). This means that you no longer receive the portion of the interest attributable to the Weighted Amount of the affected Reference Entity, depending on the applicable accrual of interest on a Credit Event, or only receive the interest up to the date of publication of the Credit Event Notice.

### **6.6.5 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to one of the Reference Entities.

### **6.6.6 Redemption after the occurrence of a Credit Event**

If a Credit Event occurs at one or more Reference Entities, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the following payments: You receive the Reduced Nominal Amount on the Scheduled Maturity Date. The Credit Event Redemption Amount is paid for each Reference Entity affected by a Credit Event on the respective Settlement Date. The Credit Event Redemption Amount for the affected Reference Entity is determined on the basis of that

Reference Entity's Weighted Amount. The respective Settlement Date can fall before or after the Scheduled Maturity Date.

Example:

Nominal Amount: EUR 10,000.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entities C and D.

Weighted Amount of C: EUR 2,500.

Weighted Amount of D: EUR 2,500.

Reduced Nominal Amount: EUR 5,000.

Auction Final Price for C: 8%.

Auction Final Price for D: 5%.

Credit Event Redemption Amount based on the Weighted Amount of C: EUR 200.

Credit Event Redemption Amount based on the Weighted Amount of D: EUR 125.

You accordingly receive EUR 5,325 instead of EUR 10,000.

If a Credit Event occurs with regard to all Reference Entities, the Reduced Nominal Amount is zero (0). You then only receive the respective Credit Event Redemption Amount with regard to each Reference Entity.

### **6.6.7 Deferred Redemption**

If the Requirements for a Payment Deferral exist at one or more Reference Entities, the Issuer can defer the redemption. The deferral is based on the total Nominal Amount or the Reduced Nominal Amount. The Issuer can also defer the interest payment (see Section 6.5.4).

The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.

### **6.6.8 Requirements for the Occurrence of a Credit Event**

The Requirements for the Occurrence of a Credit Event are fulfilled with regard to one Reference Entity in the following situations:

- (1) A Credit Event occurs within the Observation Period with regard to one or more Reference Entities. The Issuer also issues a Credit Event Notice with regard to the respective Credit Event within the Observation Period. Or

- (2) in addition, if the basic situation (2) does not exist with regard to the timing:
- (a) A Credit Event occurs with regard to one or more Reference Entities within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period. Or:
  - (b) A Potential Repudiation/Moratorium occurs at one or more Reference Entities within the Observation Period. The Issuer announces this in a Potential Repudiation/Moratorium Notice. The Credit Event then occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to the Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can be issued also after the Observation Period.
  - (c) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay, the following additionally applies:

A Potential Failure to Pay occurs within the Observation Period. The Issuer announces this in a Potential Failure to Pay Notice. The Credit Event occurs within one year after this notice. The Issuer announces this in a Credit Event Notice with regard to this Credit Event within this year. Such a Credit Event can occur and such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

A Potential Repudiation/Moratorium Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Repudiation/Moratorium. The Notice of a Potential Repudiation/Moratorium must refer to a Potential Repudiation/Moratorium which has occurred within the Observation Period.

A Potential Failure to Pay Notice exists under the following prerequisites: The Issuer publishes the occurrence and the date of the occurrence of a Potential Failure to Pay. This notice must refer to a Potential Failure to Pay which occurs within the Observation Period.

The Credit Event Effective Date is the earlier of the two following points in time:

- (i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or
- (ii) the date which immediately precedes the date of the Credit Event Notice.

### 6.6.9 Requirements for a Payment Deferral

It can take a long time until the Issuer has determined a Credit Event with regard to one or more Reference Entities. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist in the following situations with regard to one or more Reference Entities:

- (1) Credit Event Resolution Request Date with regard to one or more Reference Entities occurs within the Observation Period. Or:
- (2) The Issuer issues a Potential Repudiation/Moratorium Notice with regard to one or more Reference Entities within the Observation Period. Or:
- (3) In the event that the Final Terms provide that a Grace Period will be fully taken into account in the case of a Credit Event Failure to Pay: The Issuer issues a Potential Failure to Pay Notice within the Observation Period.

The payment deferral is permissible for a period of up to one year. The period begins with the Credit Event Resolution Request Date. In the alternative, it can also begin with the Potential Repudiation/Moratorium Notice or a Potential Failure to Pay Notice.

If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the respective Deferred Interest Payment Date or the Deferred Redemption Date.

The Deferred Interest Payment Date or the Deferred Redemption Date for the relevant Reference Entity is the date which falls one year and five Banking Days

- after the Credit Event Resolution Request Date, or
- after the Potential Repudiation/Moratorium Notice or
- after the Potential Failure to Pay Notice.

### 6.7 Product Type 6: Features of the Securities which refer to multiple financial institutions as the Reference Entities

#### 6.7.1 Weighted Amounts

See on this aspect the description for Product Type 4 at point 6.5.1.

#### 6.7.2 Interest during the term when a Credit Event has not occurred

You receive payments of interest on the Securities on the Interest Payment Dates. The prerequisite for the interest payments is that no Credit Event has occurred with regard to one or more Reference Entities.



### **(a) Fixed interest Securities**

The fixed interest Securities bear interest during the entire term at a fixed Interest Rate. The Interest Rate is set out in the Final Terms. It relates to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### **(b) Securities with step-up interest**

The Securities with step-up interest bear interest during the entire term at an interest rate which is fixed for each Interest Period. The Interest Rate for an Interest Period can increase, fall or remain the same compared to the previous Interest Rate. The applicable Interest Rate for each Interest Period will be set out in the Final Terms. It refers to the Nominal Amount.

The Interest Amount is paid to you in arrears on the Interest Payment Date(s). A specific Banking Day Convention will be observed in this regard. It determines when the Interest Amount is paid to you if the Interest Payment Date is not a Banking Day. The respectively applicable Banking Day Convention will be set forth in the Final Terms. The Banking Day Convention can have the result that an adjustment of the Interest Amount is made if the payment of interest is moved. The Banking Day Convention, however, can also have the result that no adjustment of the Interest Amount is made, although the payment of interest is moved.

### **(c) Securities with floating interest linked to a Reference Rate**

The Interest Rate for each Interest Period is specified depending on the respective Reference Rate.

- For Securities with a floating Interest Rate, the interest for the relevant Interest Period is equal to the Reference Rate on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.
- For Securities with an Interest Rate Difference, the interest for the respective Interest Period is equal to the difference between the Reference Rate (1) and the Reference Rate (2) on the relevant Interest Determination Date. The Final Terms can provide for a fixed Interest Rate for one or more specific Interest Periods.

The Reference Rate may either be the EURIBOR® or the LIBOR as displayed on a specific Screen Page. It may be specified that for the calculation of the Interest Rate a Premium is added to or a Discount is deducted from the Reference Rate. In addition or alternatively, it may be specified that the Reference Rate is multiplied by a Factor. A Maximum Interest Rate or a Minimum Interest Rate may be specified for all or specific Interest Periods.

The Final Terms specify where Information on the Reference Rate may be obtained, including information on where electronic information on past and future developments of the Reference Rate and its volatility may be found and if such Information is available free of charge or not.

The Reference Rates EURIBOR® and LIBOR (as specified in the applicable Final Terms) are respectively provided by the European Money Markets Institute ("**EMMI**") and the ICE Benchmark Administration Limited ("**ICE**"). For the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "**Benchmark Regulation**"), each of EMMI and ICE are included in ESMA's register of administrators under Article 36 of the Benchmark Regulation as at the date of this Base Prospectus.

In case of a Reference Rate Cessation Event on or before any Interest Determination Date, the Reference Rate will be replaced by an economically appropriate Replacement Reference Rate. The Issuer determines the Replacement Reference Rate in its reasonable discretion (§ 315 et seq. BGB).

In addition, the Issuer may, if necessary, make further adjustments to the Terms and Conditions of these Securities. This includes adjustments by the Issuer, for example, to the method of calculation or determination of the Interest Rate, by the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis. The Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount. The adjustment factor or spread shall reflect and neutralise potential value changes in connection with the use of the Replacement Reference Rate. It will be determined by the Issuer in line with the conditions provided for in the Terms and Conditions.

An Reference Rate Cessation Event may also result in an extraordinary termination of the Securities by the Issuer.

### **6.7.3 Interest after the occurrence of a Credit Event**

If a Credit Event occurs at one or more Reference Entities, the interest accrual on the Securities is subsequently based on the Reduced Nominal Amount. The Final Terms can provide that the interest accrual on the Reduced Nominal Amount commences on the Interest Payment Date which precedes the corresponding Credit Event Effective Date. If there is no previous Interest Payment Date, the interest on the Reduced Nominal Amount starts to run when the interest commences. The payment of the Interest Amount for the Reduced Nominal Amount is made for the first time on the Interest Payment Date which follows the corresponding Credit Event Effective Date.

In the alternative, the Final Terms can provide that the interest accrual on the Reduced Nominal Amount will commence on the corresponding Credit Effective Date. In this event, the Interest Amount attributable to the Weighted Amount of the relevant Reference Entity is paid on the Settlement Date. The payment of the Interest Amount for the Reduced Nominal Amount is made on the next Interest Payment Date.

If a Credit Event has occurred at all Reference Entities, the Reduced Nominal Amount is zero (0). The interest accrual on the Securities then ceases on the preceding Interest Payment Date or no

interest accrue at all. In the alternative, the Final Terms provide that the interest accrual ceases on the date of publication of the last Credit Event Notice.

Example:

Nominal Amount: EUR 10,000.

Interest Rate: 3%.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entity D.

Reduced Nominal Amount: EUR 7,500 (effective at the beginning of the Interest Period).

Interest Amount after the occurrence of the Interest Event: EUR 225 (3% on EUR 7,500).

### **6.7.4 Deferred payment of Interest Amounts**

If the Requirements for a Payment Deferral exist with regard to one or more Reference Entities, future Interest Payments can be deferred. The deferral relates to the entire Interest Amount.

Deferred interest payments are made at the latest on the Deferred Interest Payment Date or on the Deferred Redemption Date. The Issuer is not required to pay additional interest to you for the period of the deferral.

If it turns out after a payment deferral that a Credit Event has actually occurred, the interest on the Securities is then finally owed only on the then applicable Reduced Nominal Amount (see Section 6.5.3.). This means that you no longer receive the portion of the interest attributable to the Weighted Amount of the affected Reference Entity, depending on the applicable accrual of interest on a Credit Event, or only receive the interest up to the date of publication of the Credit Event Notice.

### **6.7.5 Redemption upon maturity when a Credit Event does not occur**

You receive the Nominal Amount on the Scheduled Maturity Date. The prerequisite is that no Credit Event has occurred with regard to one of the Reference Entities.

### **6.7.6 Redemption after the occurrence of a Credit Event**

If a Credit Event occurs at one or more Reference Entities, the Issuer does not have to redeem the Nominal Amount to you. Instead, you receive the following payments: You receive the Reduced Nominal Amount on the Scheduled Maturity Date. The Credit Event Redemption Amount is paid for each Reference Entity affected by a Credit Event on the respective Settlement Date. The Credit Event Redemption Amount for the affected Reference Entity is determined on the basis of that Reference Entity's Weighted Amount. The respective Settlement Date can fall before or after the Scheduled Maturity Date.

Example:

Nominal Amount: EUR 10,000.

Reference Entities A, B, C and D.

Credit Event occurs at Reference Entities C and D.

Weighted Amount of C: EUR 2,500.

Weighted Amount of D: EUR 2,500.

Reduced Nominal Amount: EUR 5,000.

Auction Final Price for C: 8%.

Auction Final Price for D: 5%.

Credit Event Redemption Amount based on the Weighted Amount of C: EUR 200.

Credit Event Redemption Amount based on the Weighted Amount of D: EUR 125.

You accordingly receive EUR 5,325 instead of EUR 10,000.

If a Credit Event occurs with regard to all Reference Entities, the Reduced Nominal Amount is zero (0). You then only receive the respective Credit Event Redemption Amount with regard to each Reference Entity.

### **6.7.7 Deferred Redemption**

If the Requirements for a Payment Deferral exist at one or more Reference Entities, the Issuer can defer the redemption. The deferral is based on the total Nominal Amount or the Reduced Nominal Amount. The Issuer can also defer the interest payment (see Section 6.5.4).

The Issuer is not required to pay to you additional interest or other amounts for the period of the deferral.

### **6.7.8 Requirements for the Occurrence of a Credit Event**

The Requirements for the Occurrence of a Credit Event are fulfilled with regard to one Reference Entity in the following situations:

- (1) A Credit Event occurs within the Observation Period with regard to one or more Reference Entities. The Issuer also issues a Credit Event Notice with regard to the respective Credit Event within the Observation Period. Or
- (2) A Credit Event occurs with regard to one or more Reference Entities within the Observation Period. The Issuer also publishes a Credit Event Notice within one year after the Credit

Event Resolution Request Date. Such a Credit Event Notice can also be issued after the Observation Period.

The Credit Event Resolution Request Date is the date on which such a request is submitted to the ISDA. In accordance with this request, the ISDA Determination Committee is supposed to resolve whether facts exist which can constitute a Credit Event within the meaning of the Securities.

The Credit Event Effective Date is the earlier of the two following points in time:

- (i) the date which immediately precedes the Credit Event Resolution Request Date (to the extent there is such a date), or
- (ii) the date which immediately precedes the date of the Credit Event Notice.

### **6.7.9 Requirements for a Payment Deferral**

It can take a long time until the Issuer has determined a Credit Event with regard to one or more Reference Entities. Therefore, the Issuer can defer payments on the Securities. The reason for the deferral: At the point in time of payment, it is not clear whether the Requirements for the Occurrence of a Credit Event are fulfilled.

The Requirements for a Payment Deferral exist if a Credit Event Resolution Request Date with regard to one or more Reference Entities occurs within the Observation Period.

The payment deferral is permissible for a period of up to one year. The period begins with the Credit Event Resolution Request Date.

If no Credit Event Notice is issued within this year, the Issuer will pay the deferred payments at the latest on the respective Deferred Interest Payment Date or the Deferred Redemption Date.

The Deferred Interest Payment Date or the Deferred Redemption Date for the relevant Reference Entity is the date which falls one year and five Banking Days after the Credit Event Resolution Request Date.

## **6.8 Further information about the relevant obligations, ISDA and the determination of the Credit Event Redemption Amount**

### **6.8.1 Obligations and Valuation Obligations**

Which Obligations of a Reference Entity play a role in determining a Credit Event is set forth in the Final Terms.

Obligations can be:

- (i) payment obligations of the Reference Entity under all forms of borrowed money,
- (ii) payment obligations of the Reference Entity from loans and bonds that have been issued,
- (iii) payment obligations of the Reference Entity exclusively under issued bonds.

The term "Obligation" also includes guarantees of the Reference Entity which are assumed for the above described categories of Obligations.

According to the Conditions, the Credit Event Redemption Amount of a Note can be determined on the basis of the market value of a Valuation Obligation of the Reference Entity. This process is applied if no ISDA auction proceedings are conducted and, therefore, no Auction Final Price is determined for the Reference Entity.

In these situations, the Issuer proceeds as follows: The Issuer selects in its discretion an obligation of the relevant Reference Entity. It is used as a Valuation Obligation. This obligation must satisfy the special criteria for Valuation Obligations set forth in the Conditions. If multiple obligations satisfy these criteria, that obligation of the relevant Reference Entity is the Valuation Obligation which has the lowest price.

In the case of financial institutions, the Final Terms may specify the following status in relation to the Reference Obligation: Senior or Senior non-preferred. Senior non-preferred is an Obligation that ranks in case of bankruptcy below other unsecured senior liabilities of the financial institution. This means the following: The Credit Event Restructuring or Governmental Intervention only occurs if Obligations of the applicable status are affected; any obligation that is subordinated to this status is excluded.

Example:

- The applicable Reference Obligation status of a series of Securities is: Senior.
- A Governmental Intervention occurs in respect of a Senior non-preferred debt instrument.
- This means no Credit Event occurs in respect to such Series of Securities.

Further, if any of the Credit Events occurs, the Final Price will be determined based on the applicable status of the ISDA auction or the Valuation Obligation, as applicable.

### 6.8.2 Information on ISDA Terms and ISDA auction proceedings

The Conditions of Credit Linked Securities are based on the ISDA Terms developed by ISDA. The ISDA Terms are not published for everyone on the website of ISDA. They can only be obtained in the English language for a charge.

The uniform application of the ISDA Terms is supported by announcements and protocols agreed between ISDA and the market participants (the "**ISDA Statements**"). The ISDA Terms are also applied in resolutions by the "**ISDA Determination Committee**"

Upon the occurrence of a Credit Event with regard to a Reference Entity, ISDA can conduct an auction which relates to the relevant Reference Entity and its Obligations. The Auction Final Price determined in the ISDA auction in accordance with the ISDA Terms is the basis for the settlement of Credit Derivatives which are subject to the ISDA Terms.

For more information please see section "1.5 *Information on ISDA conditions and ISDA auction proceedings*" on page 9.

### 6.8.3 Influence of ISDA Resolutions on the Securities

Resolutions of the ISDA Determination Committee have an effect on the Securities when the following prerequisites are satisfied:

- The ISDA resolutions are issued within the periods of time set forth in more detail in the Final Terms.
- The Issuer takes into account the ISDA resolutions when exercising its rights in accordance with the Final Terms.

Examples:

- Publication by ISDA about the occurrence of Credit Event with regard to a Reference Entity with simultaneous publication of the point in time when this occurred.
- Conduct of an ISDA auction with regard to a Reference Entity and determination of an Auction Final Price.

According to the Conditions, the Issuer must make certain determinations in connection with the Credit Event in the Issuer's reasonable discretion (§ 315 BGB). The Issuer takes into account the ISDA Statements and the resolutions of the ISDA Determination Committee when exercising discretion. It is possible that a statement or resolution of the ISDA Determination Committee is not appropriate for the economic substance of the Securities. The reason for this can be deviations of the Conditions from the ISDA Terms. In this situation, the statement or resolution of the ISDA Determination Committee is not applied. Instead, a result applies which is appropriate for the commercial substance of the Securities. The Issuer determines what is appropriate for the commercial substance of the Securities in the Issuer's reasonable discretion (§ 315 BGB).

Resolutions of the ISDA Determination Committee are published on the website <http://dc.isda.org/credit-default-swaps-management/> or [www.isda.org/credit](http://www.isda.org/credit) or <http://dc.isda.org/> or a page which replaces them.

### 6.8.4 Determination of the Final Price which is relevant for the Credit Event Redemption Amount

#### (a) *Use of the Auction Final Price*

The Final Price relevant for the Credit Event Redemption Amount normally corresponds to the Auction Final Price determined in the ISDA auction proceedings. Exception: ISDA does not announce any ISDA auction proceedings within the periods of time set forth in the ISDA Terms. ISDA does not conduct any auction within these periods. The Auction Final Price can be well

below 100 % of the nominal amount of the outstanding Obligations of the Reference Entity. The Auction Price can even be zero (0) in an extreme situation.

ISDA can carry out multiple ISDA auctions with regard to a Reference Entity which is not a country. This is the situation if ISDA publishes the occurrence of a Credit Event "Restructuring". The ISDA auction process then relates to different maturity categories for the Obligations of the Reference Entity. If ISDA publishes multiple Auction Final Prices in the case of Credit Event Restructuring, the lowest price is the Final Price for purposes of the Securities. If only one ISDA auction takes place, the Auction Final Price generated in this auction is the Final Price. This applies without regard to the maturity category to which the auction relates.

***(b) Valuation by the Issuer***

If the prerequisites for applying an Auction Final Price for determining the Final Price are not given in accordance with the Conditions, the Final Price is determined as follows: The Issuer determines the market value of the Valuation Obligation of the Reference Entity selected by the Issuer on the Recovery Valuation Date in the Issuer's reasonable discretion (§ 315 BGB). This market value can be well below 100 % of the nominal value of the Valuation Obligation. It can even be zero (0) in an extreme situation.

***(c) Deduction of the Swap Unwind Amount***

The Credit Event Redemption Amount can also be reduced by deduction of a Swap Unwind Amount by the Issuer. This is determined by the Issuer in its reasonable discretion (§ 315 BGB).

***(d) Special aspects in the case of countries as Reference Entities***

In the case of countries as Reference Entities, the Conditions provide that also other assets can be valued for the purpose of calculating the Final Price. These assets can especially include assets which do not constitute Obligations of the Reference Entity. For example: Assets which replace Obligations of the Reference Entity following a Restructuring as a result of conversion or an exchange. This also applies if the Credit Event designated in the Credit Event Notice is a different Credit Event (for example, a Failure to Pay). The value of these assets can be substantially below the value of other Obligations of the Reference Entity. The value can even be zero (0) in an extreme situation.

***(e) Special aspects for financial institutions as Reference Entities***

The Conditions contain the possibility in the case of Reference Entities which are financial institutions that also other assets can be valued in order to determine the Final Price. These can especially be assets which do not constitute Obligations of the Reference Entity. These can be assets which replace Obligations after a Governmental Intervention as a result of conversion or an exchange.

This also applies if a standard reference obligation of the Reference Entity published by ISDA is the subject of a Restructuring. These standard reference obligations or the assets replacing them



## **6. Description of the Securities**

can then also be valued. This also applies if the Credit Event mentioned in the Credit Event Notice is a different Credit Event (for example, a Failure to Pay). The value of these assets can be substantially below the value of other Obligations of the Reference Entity. The value can even be zero (0) in an extreme situation.

**7. TERMS AND CONDITIONS**

The terms and conditions for the Securities (the "**Conditions**") which are issued and offered under this Base Prospectus consist of the applicable and, if appropriate, supplemented statements in the following Conditions and are attached to the Global Securities which certificates the Securities.

The following described Conditions of the Securities contain 6 Options.

- Product Type 1 refers to the set of Conditions applicable for a tranche of Securities for one company.
- Product Type 2 relates to the set of Conditions which apply for a tranche of Securities for one Country.
- Product Type 3 refers to the set of Conditions which apply for a tranche of Securities for a financial institution.
- Product Type 4 refers to the set of Conditions which apply for a tranche of Securities for multiple companies.
- Product Type 5 refers to the set of Conditions which apply for a tranche of Securities for multiple countries.
- Product Type 6 refers to the set of Conditions which apply for a tranche of Securities for multiple financial institutions.

Final Terms are published for each tranche of Securities which are issued and offered under this Base Prospectus, in which the respectively applicable optional information for Product Type 1, Product Type 2, Product Type 3, Product Type 4, Product Type 5 or Product Type 6 is repeated and the respective space holders are filled out. They describe the Conditions for the Securities as attached to the respective Global Note.

The parts of text printed in this Section in bold font and brackets constitute only notes for processing which are removed when preparing the Conditions for the respective Securities.

**PRODUCT TYPE 1: Securities that relate to a single company as the Reference Entity.**

**§ 1 Form, Clearing-System, Global Note, Custody**

**(1) *Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

**(2) *Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]** The right to receive interest is represented by the Global Note.]

**(3) *Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

**(1) *Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

**[[In the case Act/Act (ICMA) does not apply, the following applies:]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[In case of a fixed Interest Rate for each Interest Period, the following applies:]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

- (c) The respective "**Interest Amount**" is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]]**

- (d) **"Day Count Fraction"** for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]

**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]



**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Cessation of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will not bear interest.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will, from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, cease to bear interest or, if no Interest Payment Date has occurred yet, not bear interest.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), cease to bear interest. Payment of any outstanding Interest Amount will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]

(3) ***Deferred payment of an Interest Amount.***

**[[Insert in case of only one Interest Period:]]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest

Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]]**

- (4) ***Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices***
- (a) ***Replacement Reference Rate:*** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")
- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
  - (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
  - (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) exchange traded interest futures with a comparable term, or – in the event and as long as this is not the case –
  - (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

(b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securi-

ties; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).

- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to an extraordinary termination pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, each Security shall be redeemed on the Scheduled Maturity Date by payment of the Nominal Amount.

- (2) ***Redemption on the Settlement Date at the Credit Event Redemption Amount after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall cease. Instead, the Issuer shall be obliged to redeem each Security by payment of the Credit Event Redemption Amount on the Settlement Date. The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

- (3) ***Deferred redemption at the Nominal Amount.***

If the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date by payment of the Nominal Amount, nevertheless the Issuer shall redeem the Securities by payment of the Nominal Amount no later than on the Deferred Redemption Date. The Issuer shall not be obliged to

make additional payments due to a deferred redemption at the Nominal Amount. The Issuer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

**(1) *Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

**(2) *Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs [*Insert period*] after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

(1) ***Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in the following [two] cases:

**[[In case the Credit Event Repudiation/Moratorium does not apply and the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, if the parameters of paragraph (i) do not apply from a temporal perspective, a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also be given after the Final Determination Date).]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, in one of the two following cases, if the basic parameters of paragraph (i) do not apply from a temporal perspective:
  - (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice may also be published after the Final Determination Date), or
  - (b) the Credit Event Repudiation/Moratorium occurs after a Potential Repudiation/Moratorium Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Repudiation/Moratorium Notice (whilst such a Credit Event and such a Credit Event Notice may also be after the Final Determination Date).]

**[[In case the Credit Event Failure to Pay applies with grace period extensions, insert:]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, in one of the two following cases, if the basic parameters of paragraph (i) do not apply from a temporal perspective:
  - (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice may also be published after the Final Determination Date), or
  - (b) the Credit Event Failure to Pay occurs after a Potential Failure to Pay Notice and a Credit Event Notice in relation to this Credit Event is made within one year of

the Potential Failure to Pay Notice (whilst such a Credit Event and such a Credit Event Notice can also occur after the Final Determination Date).]

(2) ***Requirements for a Payment Deferral.***

The "Requirements for a Payment Deferral" are fulfilled if

**[[In case the Credit Event Repudiation/Moratorium does not apply and the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]** within the Observation Period a Credit Event Resolution Request Date has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice has been given in relation to the requested Credit Event.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]]** within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Repudiation/Moratorium Notice has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Repudiation/Moratorium Notice. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice has been given in relation to the requested or, respectively, the relevant Credit Event.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]]**

within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Failure to Pay Notice has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Failure to Pay Notice. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice in relation to the requested or, respectively, the relevant Credit Event has occurred.]

The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Note due and payable for the reason of such a payment deferral.



**§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.
- (2) **"Call Event"** means each of the following events:
  - (i) a Successor does not match the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not an entity with its statutory seat in ●], or
  - (ii) there is more than one legal person or more than one legal entity which succeeds the original Reference Entity as Successor in accordance with these Conditions, or
  - (iii) an Additional Call Event.

**§ 7 Definitions**

- (1) **General Definitions (without credit-linkage).**

**"Accrual Period"** means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]**

**"Additional Call Event"** means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**"Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]**

**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment).]

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("CBF").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

**[[In case the Credit Event Repudiation/Moratorium does not apply for the purposes of the definition "Credit Event", insert:]** a Credit Event Resolution Request Date.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]** the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]** the later of the following dates:

- (i) a Credit Event Resolution Request Date; or

- (ii) a Potential Failure to Pay Notice.]

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

**[[In case the Credit Event Repudiation/Moratorium does not apply for the purposes of the definition "Credit Event", insert:]** a Credit Event Resolution Request Date.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]** the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]** the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Failure to Pay Notice.]

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Discount"** means the Discount as specified § 17 of the Product Data.]

**["Eurozone"** means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

**["Factor<sub>[1]</sub>"** means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Factor<sub>2</sub>"** means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Fixed Interest Rate"** means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

**["Floating Interest Rate"** means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page

on the relevant Interest Determination Date[, ] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = [(Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [ ] [x Factor<sub>2</sub>] [+ ] [-] [Premium] [Discount]]).

**[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:] "Hedging Disruption"** means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:] "Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the Interest Amount as specified in § 2 (1)(c).

**["Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. **["[TARGET] [London] [*Insert city*] Banking Day"** means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]]**

**["Interest Payment Date"** means the First Interest Payment Date and each date that follows [*Insert number of months*] month[s] after the First Interest Payment Date or the preceding Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]]** **["Issuing Agent"** means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]]**

**["Reference Banks"]** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]]**

**"[Reference Rate][EURIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][**insert other time**] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB).

[[a)] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

"**[Reference Rate][LIBOR]**" means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] **[Insert other Reference Rate Financial Centre]** time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[ (b) ] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [*insert different number*] [Banking Days] prior to the respective Interest Determination Date].]

**"Reference Rate<sub>1</sub>"** means the Reference Rate<sub>1</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**"Reference Rate<sub>2</sub>"** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**"Reference Rate Call Event"** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**"Reference Rate Cessation Event"** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,



- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**["Reference Rate Currency"** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>1</sub>"]** means the Reference Rate-Maturity<sub>1</sub> as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>2</sub>"]** means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Time"** means the Reference Rate Time as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>1</sub>"]** means the Registered Benchmark Administrator<sub>1</sub> as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>2</sub>"]** means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

**"Scheduled Maturity Date"** means the date specified in § 17 of the Product Date subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]**

**"Screen Page"** means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**"Specified Currency"** means the Specified Currency as specified in § 17 of the Product Data.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"TARGET Business Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.

**"Website of the Issuer"** means the Website of the Issuer as specified in § 17 of the Product Data.

**"Website for Notices"** means the Website for Notices as specified in § 17 of the Product Data.

(2) ***Exercise of discretion and specific Definitions (with credit-linkage).***

(a) ***Exercise of discretion.***

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

**"Bankruptcy"** means any of the following events:

- (i) the Reference Entity is dissolved (other than pursuant to a consolidation, amalgamation or merger);

- (ii) the Reference Entity becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) the Reference Entity makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) means the Reference Entity institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition
  - (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or
  - (2) is not dismissed, discharged, stayed or restrained in each case within [30] [●] calendar days of the institution or presentation thereof;
- (v) the Reference Entity has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) the Reference Entity seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) the Reference Entity has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within [30] [●] calendar days thereafter; or
- (viii) the Reference Entity causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an economic analogous effect to any of the events specified in clauses (i) to (vii).

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

"**Controlling**" shall be construed accordingly.

"**Credit Event**" means any of the following events:

- (i) Bankruptcy [;] [and]
- (ii) Failure to Pay [;] [and]
- [(iii)] [Restructuring] [;] [and]
- [(iv)] [Repudiation/Moratorium] [;] [and]
- [(v)] [Potential Obligation Acceleration] [; and]
- [(vi)] [Obligation Acceleration]].

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;
- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"**Credit Event Effective Date**" means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

"**Credit Event Notice**" means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. **[[In case the Credit Event Repudiation/Moratorium applies for the purpose of the definition of "Credit Event", insert:]**

Each Credit Event Notice describing a Credit Event in form of a Repudiation/Moratorium which has occurred after the Final Determination Date shall refer to a Potential Repudiation/Moratorium within the Observation Period.] **[In case the Credit Event Failure to Pay applies for the purpose of the definition of "Credit Event" with grace period extension insert:]** Each Credit Event Notice describing a Credit Event in form of a Failure to Pay which has occurred after the Final Determination Date shall refer to a Potential Failure to Pay within the Observation Period.] The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount]*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**[In case the Credit Event Restructuring applies, insert: "Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].]

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a

reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and
  - (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [[www.isda.org/credit](http://www.isda.org/credit) under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published. **[[In case of the Credit Event Restructuring insert:]]** If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*); or
- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Grace Period"** means

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]**

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]]**

- (i) subject to (ii) and (iii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if a Potential Failure to Pay has occurred on or prior to the Final Determination Date and the applicable grace period cannot, by its terms, expire on or prior to the Final Determination Date, Grace Period will be deemed to be the lesser of such grace period or thirty calendar days; and
- (iii) if, as of the date of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a grace period of three Grace Period Banking Days shall be deemed to apply to such Obligation.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific un-

derlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds].

**[[In case the Credit Event Obligation Acceleration applies for the purposes of the definition "Credit Event", insert:] "Obligation Acceleration"** means one or more Obligations of the Reference Entity in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.]

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.]



**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Failure to Pay has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and of the Publicly Available Information on a Potential Failure to Pay confirming the occurrence of a Potential Failure to Pay within the Observation Period. The Potential Failure to Pay that is the subject of the Potential Failure to Pay Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective .]

**["Potential Obligation Acceleration"** means that one or more Obligations in an aggregate amount not less than the Default Requirement may be declared due and payable before it would otherwise have been due and payable as a result of, or on the basis of, the occurrence of default, event of default or another similar condition or event (however described), other than a failure to make any required payment by the Reference Entity under one or more Obligations.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Potential Repudiation/Moratorium"** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Potential Repudiation/Moratorium Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Repudiation/Moratorium has occurred within the Observation Period as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and of the Publicly Available Information on a Potential Repudiation/Moratorium confirming the occurrence of a Potential Repudiation/Moratorium within the Observation Period. The Potential Repudiation/Moratorium that is subject of the Potential Repudiation/Moratorium Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective.]

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Failure to**

**Pay**" means information that reasonably confirms any of the facts relevant to the determination that the event described in a Potential Failure to Pay Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA,
- (ii) has been published in at least two Public Sources.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Repudiation/Moratorium"** means information that reasonably confirms any of the facts relevant for the determination that the Credit Event described in a Potential Repudiation/Moratorium Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA;
- (ii) has been published in at least two Public Sources.]

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any other successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website <http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for

amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;
  - (3) by operation of law; or
  - (4) due to the existence of a fixed cap;

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the "**Standard Recovery Valuation Date**"), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/> (or any successor website there-to)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/> (or any successor website there-to)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or
- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto)] or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a relevant Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the Obligations constituting Bonds [or Loans] of the Reference Entity and which are outstanding immediately prior to the effective date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:

- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds [or Loans] that are issued, incurred, redeemed,

repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Repudiation/Moratorium"** means the occurrence of both of the following events:

- (i) an authorized officer of the Reference Entity or a Governmental Authority
  - (1) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (2) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (ii) a Failure to Pay (without regard to the Payment Requirement), or a Restructuring (determined without regard to of the Default Requirement) with respect to any such Obligation.]

**["Restructuring"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or
  - (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or

- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

- (x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or

- (y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;

- (z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.]

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●] [<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.

**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

"**Successor**" means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such Succession;
- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if



two or more entities succeed to an equal percentage of Relevant Obligations, each entity will be a Successor);

- (vii) if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity will be the sole Successor.

If the Issuer gives a Credit Event Notice before a Succession Date, no Successor will be determined.

If more than one Successor is identified as a Reference Entity by the Issuer, the following applies:

- (y) each such Successor is, from the relevant date, a Reference Entity for the purposes of the Securities with a weighted amount equal to the ratio of the Nominal Amount and the number of Successors as specified in the Successor Notice (the "**Weighted Amount**");

- (z) in relation to each of these Reference Entities, a Credit Event may occur. The Conditions shall be applied and interpreted accordingly. In particular, the following principles apply:

- (1) the provisions regarding interest payments and redemption of the Securities in case a Credit Event does not occur pursuant to § 2(1) and § 3(1) and the provisions regarding deferred redemption pursuant to § 2(3) and § 3(3) remain applicable;
- (2) the provisions regarding interest payments in case a Credit Event occurs pursuant to § 2(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. Thus, in case of a Credit Event the Securities do not cease to bear interest. Rather, as of the time specified in § 2(2), the provisions regarding interest payment pursuant to § 2(1) refer to the Nominal Amount less the Weighted Amount of the relevant Reference Entity affected by the Credit Event ("**Reduced Nominal Amount**");
- (3) the provisions regarding redemption of the Securities after the occurrence of a Credit Event pursuant to § 3(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. In addition, the Reduced Nominal Amount will be redeemed on the Scheduled Maturity Date;

- (4) with respect to each of these Reference Entities, a Succession may again occur with one or more Reference Entities. Its Weighted Amount will be divided according to the number of Successors; and
- (5) in respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

**"Successor Notice"** means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the existence of a Successor,
- (ii) the occurrence of a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (iii) the facts relevant for the determination that a Succession has occurred; and
- (iv) the Publicly Available Successor Information.

**["Swap Unwind Amount"** means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

**"Transaction Type"** means the Transaction Type as specified in § 17 of the Product Data.<sup>4</sup>

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means

**[[In case of a European corporate and other corporates, insert:]]** any individual or entity other than the Reference Entity who has entered into an Underlying Obligation.]

**[[In case of a North American corporate, insert:]]** (i) any individual or entity other than the Reference Entity who has entered into an Underlying Obligation or (ii) any entity whose

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<sup>4</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: European corporate or North American corporate.

outstanding voting shares were, at the date of issuance of the Qualifying Guarantee, more than fifty per cent owned, directly or indirectly, by the Reference Entity.]

**"Valuation Obligation"** means

- (i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity that on the Recovery Valuation Date meets the following criteria:
  - (1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;
  - [(2) an Obligation, that constitutes a transferable obligation;]
  - [(3) an Obligation, that constitutes a transferable Loan or a consent required Loan;]
  - [(4) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]
  - [(5) an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]
  - [(6) an Obligation which with respect to the Reference Obligation is not subordinated][;]  
[or][and]]
  - [(●) an Obligation, that [insert applicable additional criteria]; [and]]
- [(ii) the Reference Obligation].

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation.

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

## **§ 8 Principal Paying Agent, Paying Agent**

### **(1) *Paying Agents.***

The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

(2) ***Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

(3) ***Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

**§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

**§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

**§ 11 Substitution of the Issuer**

(1) ***Requirements for a Substitution.***

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,

- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
- (d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

(2) **Notices.**

Any such substitution shall be notified in accordance with § 12.

(3) **References.**

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

- (1) To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

**§ 13 Issuance for additional Securities, Repurchase**

**(1) *Issuance of additional Securities.***

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

**(2) *Repurchase.***

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

**§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

**§ 15 Partial Invalidity, Corrections**

**(1) *Invalidity.***

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

**(2) *Typing and calculation errors.***

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

(3) ***Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.

(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

**(1) *Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

**(2) *Place of Performance.***

Place of performance is Munich.

**(3) *Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.



**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>1</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[[•%]</b>

**]**

**[Floating Interest Rate: [insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[[•%]</b>

**]**

**ISIN: [Insert]**

**Issue Date: [Insert]**

**Issue Volume:** [Insert]

**[Issuing Agent:** [Insert name and address of the Issuing Agent]]

**[Maximum Interest Rate:** [Insert]]

**[Minimum Interest Rate:** [Insert]]

**Nominal Amount:** [Insert][not applicable]

**[Premium:** [Insert]]

**Reference Entity:** [insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]

**Reference Obligation:**            **Principal debtor:** [Insert]

**[Guarantor:** [Insert]]

**ISIN:** [Insert]

**[•]**

**[Reference Rate<sub>1</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate<sub>2</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate Currency:** [Insert]]

**[Reference Rate Financial Centre:** [Insert]]

**[Reference Rate-Maturity<sub>1</sub>:** [Insert]]

**[Reference Rate-Maturity<sub>2</sub>:** [Insert]]

**[Reference Rate Time:** [Insert]]

**[Registered Benchmark Administrator<sub>1</sub>:** [yes][no]]

**[Registered Benchmark Administrator<sub>2</sub>:** [yes][no]]

**Scheduled Maturity Date:** [Insert]

**[Screen Page:** [Insert]]

**Series Number:** [Insert]

**Specified Currency:** [Insert]

**Tranche Number:** [Insert]

**[Transaction Type:** [Insert]]

**Website of the Issuer:** [Insert]

**Website for Notices:** [Insert]

**WKN:** [Insert]

**PRODUCT TYPE 2: Securities that relate to a single country as the Reference Entity.**

**§ 1 Form, Clearing-System, Global Note, Custody**

**(1) *Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

**(2) *Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]** The right to receive interest is represented by the Global Note.]

**(3) *Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

**(1) *Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

**[[In the case Act/Act (ICMA) does not apply, the following applies:]]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[in case of a fixed Interest Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest

Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]]

- (c) The respective **"Interest Amount"** is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]**

- (d) **"Day Count Fraction"** for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]

**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]



**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Cessation of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will not bear interest.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will, from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, cease to bear interest or, if no Interest Payment Date has occurred yet, not bear interest.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), cease to bear interest. Payment of any outstanding Interest Amount will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]

(3) ***Deferred payment of an Interest Amount.***

**[[Insert in case of only one Interest Period:]]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest

Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]**

- (4) ***Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices***
- (a) ***Replacement Reference Rate:*** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")
- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
  - (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
  - (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) exchange traded interest futures with a comparable term, or – in the event and as long as this is not the case –
  - (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

(b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securi-

ties; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).

- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to an extraordinary termination pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, each Security shall be redeemed on the Scheduled Maturity Date by payment of the Nominal Amount.

- (2) ***Redemption on the Settlement Date at the Credit Event Redemption Amount after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall cease. Instead, the Issuer shall be obliged to redeem each Note by payment of the Credit Event Redemption Amount on the Settlement Date. The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

- (3) ***Deferred redemption at the Nominal Amount.***

If the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date by payment of the Nominal Amount, nevertheless the Issuer shall redeem the Securities by payment of the Nominal Amount no later than on the Deferred Redemption Date. The Issuer shall not be obliged to make additional payments due to a deferred redemption at the Nominal Amount. The Is-

suer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

**(1) *Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

**(2) *Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs [*Insert period*] after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

(1) ***Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in the following cases:

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or

(ii) additionally, in one of the following additional cases, if the basic case of paragraph (i) does not apply from a temporal perspective:

- (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also occur after the Final Determination Date), or
- (b) the Credit Event Repudiation/Moratorium occurs after a Potential Repudiation/Moratorium Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Repudiation/Moratorium Notice (whilst such a Credit Event and such a Credit Event Notice can also occur after the Final Determination Date)

**[[In case the Credit Event Failure to Pay applies with grace period extensions, insert:]; or**

- (c) the Credit Event Failure to Pay occurs after a Potential Failure to Pay Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Failure to Pay Notice (whilst such a Credit Event and such a Credit Event Notice may also be after the Final Determination Date)].

(2) ***Requirements for a Payment Deferral.***

The "**Requirements for a Payment Deferral**" are fulfilled if within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Repudiation/Moratorium Notice

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]] or (iii) a Potential Failure to Pay Notice] has occurred.**

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Repudiation/Moratorium Notice **[[In case the Credit Event Failure to Pay applies, insert:]]** or, respectively, a Potential Failure to Pay Notice]. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice in relation to the requested or, respectively, the relevant Credit Event has occurred.]

[The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Securities due and payable for the reason of such a payment deferral.]

**§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.
- (2) **"Call Event"** means each of the following events:
  - (i) a Successor does not match the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not a • Sovereign] [not an Emerging European or Middle Eastern Sovereign]; or
  - (ii) there is more than one legal person or more than one legal entity which succeeds the original Reference Entity as Successor in accordance with these Conditions, or
  - (iii) an Additional Call Event.

**§ 7 Definitions**

- (1) **General Definitions (without credit-linkage).**

**"Accrual Period"** means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]**

**"Additional Call Event"** means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**"Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]**

**"Change in Law"** means that due to



- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)]

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("CBF").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]; or**

- (iii) a Potential Failure to Pay Notice].

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice[[**In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:**]; or
- (iii) a Potential Failure to Pay Notice].

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

["**Discount**" means the Discount as specified § 17 of the Product Data.]

["**Eurozone**" means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

["**Factor**<sub>[1]</sub>" means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

["**Factor<sub>2</sub>**" means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

["**Fixed Interest Rate**" means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

["**Floating Interest Rate**" means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

["**Floating Interest Rate**" means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

["**Floating Interest Rate**" means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[, ] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = ([Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> ]) [x Factor<sub>2</sub>] [+ ] [-] [Premium] [Discount]).)]

[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:] "Hedging Disruption" means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:] "Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the Interest Amount as specified in § 2 (1)(c).

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**["Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. [**"[TARGET] [London] [*Insert city*] Banking Day"** means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]**

**"Interest Payment Date"** means the First Interest Payment Date and each date that follows *[Insert number of months]* month[s] after the First Interest Payment Date or the preceding Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]** **"Issuing Agent"** means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]**

**"Reference Banks"** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]**

**"[Reference Rate][EURIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the

Screen Page at [11:00 a.m.][insert other time] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Specified Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

**"[Reference Rate][LIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] [Insert other Reference Rate Financial Centre] time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof

- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**"Reference Rate<sub>[1]</sub>"** means the Reference Rate<sub>[1]</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**"Reference Rate<sub>2</sub>"** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**"Reference Rate Call Event"** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**"Reference Rate Cessation Event"** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**"Reference Rate Currency"** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>[1]</sub>"** means the Reference Rate-Maturity<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>2</sub>"** means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Time"** means the Reference Rate Time as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>[1]</sub>"** means the Registered Benchmark Administrator<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>2</sub>"** means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

**"Scheduled Maturity Date"** means the date specified in § 17 of the Product Data subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]**

**"Screen Page"** means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

**"Specified Currency"** means the Specified Currency as specified in § 17 of the Product Data.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"TARGET Business Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.

**"Website of the Issuer"** means the Website of the Issuer as specified in § 17 of the Product Data.

**"Website for Notices"** means the Website for Notices as specified in § 17 of the Product Data.



(2) ***Exercise of discretion and specific Definitions (with credit-linkage).***

(a) ***Exercise of discretion.***

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

**"Controlling"** shall be construed accordingly.

**"Credit Event"** means any of the following events:

- (i) Failure to Pay;
- (ii) Repudiation/Moratorium; [and]
- (iii) Restructuring [;] [and]
- [(iv)] [Potential Obligation Acceleration] [; and]
- [(v)] [Obligation Acceleration]].

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;
- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Effective Date"** means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

**"Credit Event Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. Each Credit Event Notice describing a Credit Event in form of a Repudiation/Moratorium which has occurred after the Final Determination Date shall refer to a Potential Repudiation/Moratorium within the Observation Period.] **[In case the Credit Event Failure to Pay applies for the purpose of the definition of "Credit Event" with grace period extension insert:]** Each Credit Event Notice describing a Credit Event in form of a Failure to Pay which has occurred after the Final Determination Date shall refer to a Potential Failure to Pay within the Observation Period.] The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount].*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**"Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and

- (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [www.isda.org/credit under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published. **[[In case of the Credit Event Restructuring insert:]]** If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*); or

- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Grace Period"** means

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]**

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]]**

- (i) subject to (ii) and (iii), the applicable grace period with respect to payments and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if a Potential Failure to Pay has occurred on or prior to the Final Determination Date and the applicable grace period cannot, by its terms, expire on or prior to the Final Determination Date, Grace Period will be deemed to be the lesser of such grace period or thirty calendar days; and
- (iii) if, as of the date of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a grace period of three Grace Period Banking Days shall be deemed to apply to such Obligation.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific underlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds].

**[[In case the Credit Event Obligation Acceleration applies for the purposes of the definition "Credit Event", insert:] "Obligation Acceleration"** means one or more Obligations of the Reference Entity in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.]

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Failure to Pay has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and of the Publicly Available Information on a Potential Failure to Pay confirming the occurrence of a Potential Failure to Pay within the Observation Period. The Potential Failure to Pay that is the subject of the Potential Failure to Pay Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective .]

**["Potential Obligation Acceleration"** means that one or more Obligations in an aggregate amount not less than the Default Requirement may be declared due and payable before it would otherwise have been due and payable as a result of, or on the basis of, the occurrence of default, event of default or another similar condition or event (however described), other than a failure to make any required payment by the Reference Entity under one or more Obligations.]

**"Potential Repudiation/Moratorium"** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

**"Potential Repudiation/Moratorium Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Repudiation/Moratorium has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and of the Publicly Available Information on a Potential Repudiation/Moratorium confirming the occurrence of a Potential Repudiation/Moratorium within the Observation Period. The Potential Repudiation/Moratorium that is the subject of the Potential Repudiation/Moratorium Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective.

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Failure to Pay"** means information that reasonably confirms any of the facts relevant to the determination that the event described in a Potential Failure to Pay Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA,
- (ii) has been published in at least two Public Sources.]

**"Publicly Available Information on a Potential Repudiation/Moratorium"** means information that reasonably confirms any of the facts relevant for the determination that the Credit Event described in a Potential Repudiation/Moratorium Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA;
- (ii) has been published in at least two Public Sources.

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website <http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where



there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;

- (3) by operation of law; or
- (4) due to the existence of a fixed cap;

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the **"Standard Recovery Valuation Date"**), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website there-to)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website there-to)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or

- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a relevant Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the Obligations constituting Bonds [or Loans] of the Reference Entity and which are outstanding immediately prior to the effective date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:

- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds [or Loans] that are issued, incurred, redeemed, repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**"Repudiation/Moratorium"** means the occurrence of both of the following events:

- (i) an authorized officer of the Reference Entity or a Governmental Authority
  - (1) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (2) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (ii) a Failure to Pay (without regard to the Payment Requirement), or a Restructuring (determined without regard to Default Requirement) with respect to any such Obligation.]

["**Restructuring**"] means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or
  - (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

- (x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or
- (y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into an-

other currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;

(z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.]

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●] [<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more

than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (the latter including any protocol, treaty, convention, accord, concord, entente, pact or other agreements) or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.

**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

**"Succession Event"** means an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

**"Successor"** means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the

entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;

- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such Succession;
- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each entity will be a Successor).

If the Issuer gives a Credit Event Notice before a Succession Date, no Successor will be determined.

If more than one Successor is identified as a Reference Entity by the Issuer, the following applies:

- (y) each such Successor is, from the relevant date, a Reference Entity for the purposes of the Securities with a weighted amount equal to the ratio of the Nominal Amount and the number of Successors as specified in the Successor Notice (the "**Weighted Amount**");

(z) in relation to each of these Reference Entities, a Credit Event may occur. The Conditions shall be applied and interpreted accordingly. In particular, the following principles apply:

- (1) the provisions regarding interest payments and redemption of the Securities in case a Credit Event does not occur pursuant to § 2(1) and § 3(1) and the provisions regarding deferred redemption pursuant to § 2(3) and § 3(3) remain applicable;
- (2) the provisions regarding interest payments in case a Credit Event occurs pursuant to § 2(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. Thus, in case of a Credit Event the Securities do not cease to bear interest. Rather, as of the time specified in § 2(2), the provisions regarding interest payment pursuant to § 2(1) refer to the Nominal Amount less the Weighted Amount of the relevant Reference Entity affected by the Credit Event ("**Reduced Nominal Amount**");
- (3) the provisions regarding redemption of the Securities after the occurrence of a Credit Event pursuant to § 3(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. In addition, the Reduced Nominal Amount will be redeemed on the Scheduled Maturity Date;
- (4) with respect to each of these Reference Entities, a Succession may again occur with one or more Reference Entities. Its Weighted Amount will be divided according to the number of Successors; and
- (5) in respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

"**Successor Notice**" means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the occurrence of a Succession Event and a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (ii) the Successor;
- (iii) the facts relevant for the determination that a Successor Event has occurred; and

(iv) the Publicly Available Successor Information.

**["Swap Unwind Amount"]** means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

**"Transaction Type"** means the Transaction Type as specified in § 17 of the Product Data.<sup>5</sup>

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means

any individual or entity other than the Reference Entity who has entered into an Underlying Obligation.

**"Valuation Obligation"** means

(i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity that on the Recovery Valuation Date meets the following criteria:

(1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;

[(2) an Obligation, that constitutes a transferable obligation;]

[(3) an Obligation, that constitutes a transferable Loan or a consent required Loan;]

[(4) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]

[(5) [an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]

[(●)] [insert applicable additional criteria];

as well as

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<sup>5</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: Western European Sovereign or Latin American Sovereign.



[(5)] in case of a Restructuring an Obligation that did not arise on or after the Restructuring.

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation; or

- (ii) at the choice of the Issuer in the event of a Restructuring (even if the Credit Event Notice designates another previously occurring Credit Event)
  - (1) an Obligation published as so-called Package Observable Bond on the website [●] [<http://www.isda.org/credit> (or a page which replaces it)] (or any successor website thereto) immediately prior to the occurrence of the Credit Event, or
  - (2) such equity, amounts of cash, securities, fees (including any "early bird" or other consent fee) rights and/or other assets (each an "Asset Package") in the proportion received or obtained by a relevant creditor by way of exchange as conversion of an Obligation pursuant to Section (ii)(1) (which may include said Obligation). If the relevant holder is offered a choice of assets or a choice of combinations of assets, the largest Asset Package with respect to the amount of principal or, if the respective asset is not expressed as an amount of principal, the largest Asset Package with respect to its value, shall be selected. If nothing is offered to the relevant creditor and the relevant creditor receives nothing, the value of the Asset Package shall be zero.

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

## **§ 8 Principal Paying Agent, Paying Agent**

### **(1) *Paying Agents.***

The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

### **(2) *Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

(3) ***Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

**§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

**§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

**§ 11 Substitution of the Issuer**

(1) ***Requirements for a Substitution.***

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,

(c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and

(d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

(2) ***Notices.***

Any such substitution shall be notified in accordance with § 12.

(3) ***References.***

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

(1) To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

(2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

**§ 13 Issuance for additional Securities, Repurchase**

(1) ***Issuance of additional Securities.***

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the is-

sue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

(2) ***Repurchase.***

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

**§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

**§ 15 Partial Invalidity, Corrections**

(1) ***Invalidity.***

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

(2) ***Typing and calculation errors.***

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

(3) ***Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do

not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.

(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

(1) ***Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

(2) ***Place of Performance.***

Place of performance is Munich.

(3) ***Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.

**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>1</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[●] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[●%]</b>

**]**

**[Floating Interest Rate: [insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[●] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[●%]</b>

**]**

**ISIN: [Insert]**

**Issue Volume: [Insert]**

**Issue Date:** [Insert]

**[Issuing Agent:** [Insert name and address of the Issuing Agent]]

**[Maximum Interest Rate:** [Insert]]

**[Minimum Interest Rate:** [Insert]]

**Nominal Amount:** [Insert][not applicable]

**[Premium:** [Insert]]

**Reference Entity:** [insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]

**Reference Obligation:**      **Principal debtor:** [Insert]

**[Guarantor:** [Insert]]

**ISIN:** [Insert]

**[•]**

**[Reference Rate<sub>[1]</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate<sub>2</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate Currency:** [Insert]]

**[Reference Rate Financial Centre:** [Insert]]

**[Reference Rate-Maturity<sub>[1]</sub>:** [Insert]]

**[Reference Rate-Maturity<sub>2</sub>:** [Insert]]

**[Reference Rate Time:** [Insert]]

**[Registered Benchmark Administrator<sub>[1]</sub>:** [Insert]]

**[Registered Benchmark Administrator<sub>2</sub>:** [Insert]]

**Scheduled Maturity Date:** [Insert]

**[Screen Page:** [Insert]]

**Series Number:** [Insert]

**Specified Currency:** [Insert]

**Tranche Number:** [Insert]

**[Transaction Type:** [Insert]]

**Website of the Issuer:** [Insert]

**Website for Notices:** [Insert]

**WKN:** [Insert]

**PRODUCT TYPE 3: Securities that relate to a single financial institution as the Reference Entity.**

**§ 1 Form, Clearing-System, Global Note, Custody**

(1) ***Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

(2) ***Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]]** The right to receive interest is represented by the Global Note.]

(3) ***Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

(1) ***Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]



**[[In the case Act/Act (ICMA) does not apply, the following applies:]]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[in case of a fixed Interest Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest

Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

- (c) The respective **"Interest Amount"** is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]**

- (d) **"Day Count Fraction"** for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]

**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Cessation of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will not bear interest.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will, from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, cease to bear interest or, if no Interest Payment Date has occurred yet, not bear interest.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), cease to bear interest. Payment of any outstanding Interest Amount will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]

(3) ***Deferred payment of an Interest Amount.***

**[[Insert in case of only one Interest Period:]]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest

Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]** If the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]**

(4) ***Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices***

(a) ***Replacement Reference Rate:*** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")

- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
- (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
- (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) exchange traded interest futures with a comparable term, or – in the event and as long as this is not the case –
- (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

(b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securi-



ties; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).

- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to an extraordinary termination pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, each Security shall be redeemed on the Scheduled Maturity Date by payment of the Nominal Amount.

- (2) ***Redemption on the Settlement Date at the Credit Event Redemption Amount after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall cease. Instead, the Issuer shall be obliged to redeem each Note by payment of the Credit Event Redemption Amount on the Settlement Date. The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

- (3) ***Deferred redemption at the Specified Denomination.***

If the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date by payment of the Nominal Amount, nevertheless the Issuer shall redeem the Securities by payment of the Nominal Amount no later than on the Deferred Redemption Date. The Issuer shall not be obliged to make additional payments due to a deferred redemption at the Specified Denomination.

The Issuer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

**(1) *Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

**(2) *Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs [*Insert period*] after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

(1) ***Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in the following two cases:

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or

- (ii) in addition, if the requirements under (i) are not met in a timely respect, a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also be given after the Final Determination Date).

(2) ***Requirements for a Payment Deferral.***

The "**Requirements for a Payment Deferral**" are fulfilled if within the Observation Period a Credit Event Resolution Request Date has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice has been given in relation to the requested Credit Event.

The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Note due and payable for the reason of such a payment deferral.

**§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.
- (2) "**Call Event**" means each of the following events:
  - (i) a Successor does not match the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not a financial institution with its statutory seat in ●], or
  - (ii) there is more than one legal person or more than one legal entity which succeeds the original Reference Entity as Successor in accordance with these Conditions, or
  - (iii) an Additional Call Event.

**§ 7 Definitions**

- (1) ***General Definitions (without credit-linkage).***

["**Accrual Period**" means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]**

"**Additional Call Event**" means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**["Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]**

**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)]

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("CBF").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after a Credit Event Resolution Request Date.

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after a Credit Event Resolution Request Date.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Discount"** means the Discount as specified § 17 of the Product Data.]

**["Eurozone"** means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

**["Factor<sub>[1]</sub>"** means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Factor<sub>2</sub>"** means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Fixed Interest Rate"** means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

**["Floating Interest Rate"** means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[, ] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = [(Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [ ]) [x Factor<sub>2</sub>] [+ ] [-] [Premium] [Discount]].)]

**[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:]]** **"Hedging Disruption"** means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or

(ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:] "Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

(i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or

(ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the Interest Amount as specified in § 2 (1)(c).

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**["Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. [**"[TARGET] [London] [*Insert city*] Banking Day"** means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]]**

**"Interest Payment Date"** means the First Interest Payment Date and each date that follows *[Insert number of months]* month[s] after the First Interest Payment Date or the preceding Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]]** **"Issuing Agent"** means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]]**

**"Reference Banks"** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]]**



"**[Reference Rate][EURIBOR]**" means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.][;]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Specified Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof

- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

"[Reference Rate][LIBOR]" means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] [Insert other Reference Rate Financial Centre] time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.].]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate

[or the central bank for the Reference Rate Currency], or in the absence thereof

- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [*insert different number*] [Banking Days] prior to the respective Interest Determination Date].]

**"Reference Rate<sub>1</sub>"** means the Reference Rate<sub>1</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**"Reference Rate<sub>2</sub>"** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**"Reference Rate Call Event"** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**"Reference Rate Cessation Event"** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that

such Reference Rate is intended to measure and that representativeness will not be re-stored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**["Reference Rate Currency"** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>[1]</sub>"** means the Reference Rate-Maturity<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>2</sub>"** means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Time"** means the Reference Rate Time as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>[1]</sub>"** means the Registered Benchmark Administrator<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>2</sub>"** means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

**"Scheduled Maturity Date"** means the date specified in § 17 of the Product Data subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]**

**"Screen Page"** means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

**"Specified Currency"** means the Specified Currency as specified in § 17 of the Product Data.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"TARGET Business Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.

"**Website of the Issuer**" means the Website of the Issuer as specified in § 17 of the Product Data.

"**Website for Notices**" means the Website for Notices as specified in § 17 of the Product Data.

(2) ***Exercise of discretion and specific Definitions (with credit-linkage).***

(a) ***Exercise of discretion.***

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

"**Bankruptcy**" means any of the following events:

- (i) the Reference Entity is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) the Reference Entity becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) the Reference Entity makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) means the Reference Entity institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition

- (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or
- (2) is not dismissed, discharged, stayed or restrained in each case within [30] [●] calendar days of the institution or presentation thereof;
- (v) the Reference Entity has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) the Reference Entity seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) the Reference Entity has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within [30] [●] calendar days thereafter; or
- (viii) the Reference Entity causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an economic analogous effect to any of the events specified in clauses (i) to (vii).

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

**"Controlling"** shall be construed accordingly.

**"Credit Event"** means any of the following events:

- (i) Bankruptcy;
- (ii) Failure to Pay;
- (iii) Restructuring; and
- (iv) Governmental Intervention.

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;
- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Effective Date"** means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

**"Credit Event Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount]*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**"Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and
  - (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [[www.isda.org/credit](http://www.isda.org/credit) under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published.

If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*) whereby any auction final price which refers to Subordinated obligations of the Reference Entity shall be disregarded; or



- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Governmental Intervention"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

- (i) any event which would affect creditors' rights so as to cause:
  - (w) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
  - (x) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
  - (y) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
  - (z) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (iii) a mandatory cancellation, conversion or exchange; or
- (iv) any event which has an analogous effect to any of the events (1) to (3).

In the case of a Qualifying Guarantee and a Underlying Obligation, references in the definition of Governmental Intervention to the Reference Entity are in principle to be construed as references to the Underlying Obligation.

**"Grace Period"** means

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific underlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds], provided that Subordinated obligations shall not be taken into account for the purposes of determining the occurrence of a Restructuring or Governmental Intervention.

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website

<http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;
  - (3) by operation of law;
  - (4) due to the existence of a fixed cap; or
  - (5) due to provisions permitting or anticipating a Governmental Intervention.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

(x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and

(y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the **"Standard Recovery Valuation Date"**), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or
- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a relevant Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the non-Subordinated Obligations constituting Bonds or Loans of the Reference Entity and which are outstanding immediately prior to the effective

date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:

- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds or Loans that are issued, incurred, redeemed, repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**"Restructuring"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or
  - (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

(x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or

(y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;

(z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.

**"Senior"** means in respect of the status of a Reference Obligation and any other obligation of the Reference Entity that (i) such Reference Obligation or obligation constitutes pursuant to its terms an unsecured and unsubordinated obligation and (ii) it is not a protected deposit.

**"Senior non-preferred"** means in respect of the status of a Reference Obligation and any other obligation of the Reference Entity that such Reference Obligation or obligation ranks pursuant to its terms or by operation of law in case of a bankruptcy after protected deposits and unsecured unsubordinated obligations of the Reference Entity.

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●] [<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Subordinated"** means (i) any tier 2 obligation of the Reference Entity, (ii) any obligation of the Reference Entity which ranks or is expressed to rank pari passu with any tier 2 obligation of the Reference Entity, and (iii) any obligation of the Reference Entity which is subordinated to the obligations described in (i) and (ii) above; furthermore, in case of a Senior Reference Obligation, any Senior non-preferred obligation of the Reference Entity.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.



**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

**"Successor"** means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor. [Alternatively, the Issuer may terminate the Securities pursuant to § 6];
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity

succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such Succession;

- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each entity will be a Successor);
- (vii) if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity will be the sole Successor.

If the Issuer gives a Credit Event Notice before a Succession Date, no Successor will be determined.

If more than one Successor is identified as a Reference Entity by the Issuer, the following applies:

(y) each such Successor is, from the relevant date, a Reference Entity for the purposes of the Securities with a weighted amount equal to the ratio of the Nominal Amount and the number of Successors as specified in the Successor Notice (the "**Weighted Amount**");

(z) in relation to each of these Reference Entities, a Credit Event may occur. The Conditions shall be applied and interpreted accordingly. In particular, the following principles apply:

- (1) the provisions regarding interest payments and redemption of the Securities in case a Credit Event does not occur pursuant to § 2(1) and § 3(1) and the provisions regarding deferred redemption pursuant to § 2(3) and § 3(3) remain applicable;
- (2) the provisions regarding interest payments in case a Credit Event occurs pursuant to § 2(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. Thus, in case of a Credit Event the Securities do not cease to bear interest. Rather, as of the time

specified in § 2(2), the provisions regarding interest payment pursuant to § 2(1) refer to the Nominal Amount less the Weighted Amount of the relevant Reference Entity affected by the Credit Event ("**Reduced Nominal Amount**");

- (3) the provisions regarding redemption of the Securities after the occurrence of a Credit Event pursuant to § 3(2) in conjunction with § 5 apply in each case to a Reference Entity affected by a Credit Event and its Weighted Amount and can accordingly be applied multiple times with respect to the Reference Entities. In addition, the Reduced Nominal Amount will be redeemed on the Scheduled Maturity Date;
- (4) with respect to each of these Reference Entities, a Succession may again occur with one or more Reference Entities. Its Weighted Amount will be divided according to the number of Successors; and
- (5) in respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

"**Successor Notice**" means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the existence of a Successor,
- (ii) the occurrence of a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (iii) the facts relevant for the determination that a Succession has occurred; and
- (iv) the Publicly Available Successor Information.

["**Swap Unwind Amount**" means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

"**Transaction Type**" means the Transaction Type as specified in § 17 of the Product Data.<sup>6</sup>

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<sup>6</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: European financial institution or Australian financial institution.

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means any individual or entity other than the Reference Entity who has entered into an Underlying Obligation.]

**"Valuation Obligation"** means

- (i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity that on the Recovery Valuation Date meets the following criteria:
  - (1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;
  - [(2) an Obligation, that constitutes a transferable obligation;]
  - [(3) an Obligation, that constitutes a transferable Loan or a consent required Loan;]
  - [(4) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]
  - [(5)] [an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]
  - [(6)] an Obligation which with respect to the Reference Obligation is not subordinated][;] [or][and]]
  - [(7)] [in the case of a Restructuring or Governmental Intervention (even if the Credit Event Notice designates another previously occurring Credit Event) an Obligation that did not arise on or after the Restructuring date.]].
  - [(●) [insert applicable additional criteria.]]

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation; or

- (ii) at the choice of the Issuer, in the event of a Governmental Intervention, even if the Credit Event Notice designates another previously occurring Credit Event;
  - (1) any obligation of the Reference Entity which (x) existed immediately prior to such Governmental Intervention, (y) was the subject of such Governmental Intervention and (z) fall within the criteria set out in paragraph (i) in each case immediately preceding the date on which the Governmental Intervention was legally effective; or
  - (2) such equity, amounts of cash, securities, fees (including any "early bird" or other consent fee) rights and/or other assets (each an "**Asset Package**") in the pro-

portion received or obtained by a relevant creditor by way of exchange as conversion of an Obligation pursuant to Section (ii)(1) (which may include said Obligation). If the relevant holder is offered a choice of assets or a choice of combinations of assets, the largest Asset Package with respect to the amount of principal or, if the respective asset is not expressed as an amount of principal, the largest Asset Package with respect to its value, shall be selected. If nothing is offered to the relevant creditor and the relevant creditor received nothing, the value of the Asset Package shall be zero.; or

(iii) at the choice of the Issuer, in the event of the occurrence of a Restructuring, which is not also a Governmental Intervention (even if the Credit Event Notice designates another previously occurring Credit Event),

(1) a Reference Obligation or if a Standard Reference Obligation has been published, the Standard Reference Obligation, or

(2) any Asset Package with regard to the Obligation pursuant to paragraph (ii) (2),

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

## **§ 8 Principal Paying Agent, Paying Agent**

### **(1) *Paying Agents.***

The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

### **(2) *Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

### **(3) *Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

## **§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding

is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

#### **§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

#### **§ 11 Substitution of the Issuer**

##### **(1) Requirements for a Substitution.**

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
- (d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

##### **(2) Notices.**

Any such substitution shall be notified in accordance with § 12.

(3) ***References.***

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

- (1) To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

**§ 13 Issuance for additional Securities, Repurchase**

- (1) ***Issuance of additional Securities.***

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

- (2) ***Repurchase.***

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

**§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

**§ 15 Partial Invalidity, Corrections**

**(1) *Invalidity.***

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

**(2) *Typing and calculation errors.***

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

**(3) *Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.



(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.

(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

(1) ***Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

(2) ***Place of Performance.***

Place of performance is Munich.

(3) ***Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.

**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>[1]</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed] Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[•%]</b>

**]**

**[Floating Interest Rate: [Insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[•%]</b>

**ISIN: [Insert]**

**Issue Volume: [Insert]**

**Issue Date: [Insert]**

**[Issuing Agent: [Insert name and address of the Issuing Agent]]**

**[Maximum Interest Rate: [Insert]]**

**[Minimum Interest Rate: [Insert]]**

**Nominal Amount: [Insert][not applicable]**

**[Premium: [Insert]]**

**Reference Entity: [insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]**

**Reference Obligation:**      **Principal debtor:** [Insert]

**[Guarantor:** [Insert]]

**ISIN:** [Insert]

**[Status:** on the Issue Date [Senior non-preferred][Senior]]

**[•]**

**[Reference Rate<sub>[1]</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate<sub>2</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate Currency:** [Insert]]

**[Reference Rate Financial Centre:** [Insert]]

**[Reference Rate-Maturity<sub>[1]</sub>:** [Insert]]

**[Reference Rate-Maturity<sub>2</sub>:** [Insert]]

**[Reference Rate Time:** [Insert]]

**[Registered Benchmark Administrator<sub>[1]</sub>:** [Insert]]

**[Registered Benchmark Administrator<sub>2</sub>:** [Insert]]

**Scheduled Maturity Date:** [Insert]

**[Screen Page:** [Insert]]

**Series Number:** [Insert]

**Specified Currency:** [Insert]

**Tranche Number:** [Insert]

**[Transaction Type:** [Insert]]

**Website of the Issuer:** [Insert]

**Website for Notices:** [Insert]

**WKN:** [Insert]

**PRODUCT TYPE 4: Securities that relate to multiple companies as Reference Entities.**

**§ 1 Form, Clearing-System, Global Note, Custody**

**(1) *Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

**(2) *Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]** The right to receive interest is represented by the Global Note.]

**(3) *Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

**(1) *Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

**[[In the case Act/Act (ICMA) does not apply, the following applies:]]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[in case of a fixed Interest Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest

Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

- (c) The respective **"Interest Amount"** is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]**

- (d) **"Day Count Fraction"** for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]



**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Reduction of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, or, if no Interest Payment Date has occurred yet, from the Issue Date, and the Interest Amount will be calculated accordingly.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly. Payment of any outstanding Interest Amount in respect to the Weighted Amount of the Reference Entity up to the day (inclusive) of the Credit Event Notice will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]

(3) ***Deferred payment of an Interest Amount.***

**[[Insert in case of only one Interest Period:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of the Interest Amount. The Issuer will notify the Security Holder of the deferred payment date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]]**

(4) ***Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices***

(a) ***Replacement Reference Rate:*** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")

- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
- (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
- (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) ex-

change traded interest futures with a comparable term, or – in the event and as long as this is not the case –

- (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

- (b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securities; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).
- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to an extraordinary termination pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, each Security shall be redeemed on the Scheduled Maturity Date by payment of the Nominal Amount.

- (2) ***Redemption after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall cease. Instead, the Issuer shall be obliged to redeem

- (i) subject to paragraph (3), the Reduced Nominal Amount on the Scheduled Maturity Date; and

- (ii) each Credit Event Redemption Amount on the Settlement Date

The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

(3) ***Partially deferred redemption.***

If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date, nevertheless the Issuer shall redeem the Securities no later than on the Deferred Redemption Date. The Issuer shall not be obliged to make additional payments due to a deferred redemption. The Issuer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

(1) ***Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

(2) ***Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs [*Insert period*] after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

**(1) *Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in respect to one Reference Entity in the following [two] cases:

**[[In case the Credit Event Repudiation/Moratorium does not apply and the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, if the parameters of paragraph (i) do not apply from a temporal perspective, a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also be given after the Final Determination Date).]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, in one of the two following cases, if the basic parameters of paragraph (i) do not apply from a temporal perspective:
  - (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice may also be published after the Final Determination Date), or
  - (b) the Credit Event Repudiation/Moratorium occurs after a Potential Repudiation/Moratorium Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Repudiation/Moratorium Notice (whilst such a Credit Event and such a Credit Event Notice may also be after the Final Determination Date).]

**[[In case the Credit Event Failure to Pay applies with grace period extensions, insert:]**

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or



(ii) additionally, in one of the two following cases, if the basic parameters of paragraph (i) do not apply from a temporal perspective:

- (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice may also be published after the Final Determination Date), or
- (b) the Credit Event Failure to Pay occurs after a Potential Failure to Pay Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Failure to Pay Notice (whilst such a Credit Event and such a Credit Event Notice can also occur after the Final Determination Date).]

(2) ***Requirements for a Payment Deferral.***

The "**Requirements for a Payment Deferral**" are fulfilled in respect to one Reference Entity if

**[[In case the Credit Event Repudiation/Moratorium does not apply and the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]** within the Observation Period a Credit Event Resolution Request Date has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice has been given in relation to the requested Credit Event.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]]** within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Repudiation/Moratorium Notice has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Repudiation/Moratorium Notice. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice has been given in relation to the requested or, respectively, the relevant Credit Event.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]]**

within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Failure to Pay Notice has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Failure to Pay Notice. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice in relation to the requested or, respectively, the relevant Credit Event has occurred.]

The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Note due and payable for the reason of such a payment deferral.

**§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.
- (2) **"Call Event"** means each of the following events:
  - (i) a Successor does not match the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not an entity with its statutory seat in ●][ or not an entity with its statutory seat in ●]; or
  - (ii) an Additional Call Event.

**§ 7 Definitions**

- (1) ***General Definitions (without credit-linkage).***

**["Accrual Period"** means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]]**

**"Additional Call Event"** means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**["Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]**  
**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)]

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

**[[In case the Credit Event Repudiation/Moratorium does not apply for the purposes of the definition "Credit Event", insert:] a Credit Event Resolution Request Date.]**

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] the later of the following dates:**

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:] the later of the following dates:**

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Failure to Pay Notice.]

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

**[[In case the Credit Event Repudiation/Moratorium does not apply for the purposes of the definition "Credit Event", insert:] a Credit Event Resolution Request Date.]**

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] the later of the following dates:**

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:] the later of the following dates:**

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Failure to Pay Notice.]

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Discount"** means the Discount as specified § 17 of the Product Data.]

**["Eurozone"** means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

**["Factor<sub>[1]</sub>"** means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Factor<sub>2</sub>"** means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Fixed Interest Rate"** means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

**["Floating Interest Rate"** means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[, ] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = [(Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>]) [+ ] [-] [Premium] [Discount]]).]

**[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:] "Hedging Disruption"** means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:] "Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the product of

- (i) Interest Rate;
- (ii) Day Count Fraction; and
- (iii) the Nominal Amount (if the Interest Amount is calculated by reference to the Nominal Amount) or Reduced Nominal Amount (if the Interest Amount is calculated by reference to the Reduced Nominal Amount) or Weighted Amount (if the Interest Amount is calculated by reference to the Weighted Amount).

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**"Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. **"[TARGET] [London] [*Insert city*] Banking Day"** means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]**

**"Interest Payment Date"** means the First Interest Payment Date and each date that follows [*Insert number of months*] month[s] after the First Interest Payment Date or the preceding

Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]** **"Issuing Agent"** means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]**

**"Reference Banks"** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]**

**"[Reference Rate][EURIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][**insert other time**] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.][;]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Specified Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

"[Reference Rate][LIBOR]" means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] [Insert other Reference Rate Financial Centre] time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)



[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [*insert different number*] [Banking Days] prior to the respective Interest Determination Date].]

"**Reference Rate**<sub>[1]</sub>" means the Reference Rate<sub>[1]</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**["Reference Rate<sub>2</sub>"]** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Call Event"]** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**["Reference Rate Cessation Event"]** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**["Reference Rate Currency"]** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"]** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>[1]</sub>"]** means the Reference Rate-Maturity<sub>[1]</sub> as specified in § 17 of the Product Data.]

["**Reference Rate-Maturity<sub>2</sub>**" means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

["**Reference Rate Time**" means the Reference Rate Time as specified in § 17 of the Product Data.]

["**Registered Benchmark Administrator<sub>[1]</sub>**" means the Registered Benchmark Administrator<sub>[1]</sub> as specified in § 17 of the Product Data.]

["**Registered Benchmark Administrator<sub>2</sub>**" means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

"**Scheduled Maturity Date**" means the date specified in § 17 of the Product Data subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]]**

"**Screen Page**" means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

"**Specified Currency**" means the Specified Currency as specified in § 17 of the Product Data.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**TARGET Business Day**" means any day on which TARGET2 is open for the settlement of payments in EUR.

"**Website of the Issuer**" means the Website of the Issuer as specified in § 17 of the Product Data.

"**Website for Notices**" means the Website for Notices as specified in § 17 of the Product Data.

- (2) *Exercise of discretion and specific Definitions (with credit-linkage).*
- (a) *Exercise of discretion.*

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

**"Aggregate Reduction Amount"** means as of the relevant time pursuant to § 2(2) or § 3(2), the sum of all Weighted Amounts of all Reference Entities that have been subject to a Credit Event.

**"Bankruptcy"** means any of the following events:

- (i) the Reference Entity is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) the Reference Entity becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) the Reference Entity makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) means the Reference Entity institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition
  - (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or
  - (2) is not dismissed, discharged, stayed or restrained in each case within [30] [●] calendar days of the institution or presentation thereof;
- (v) the Reference Entity has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger);

- (vi) the Reference Entity seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) the Reference Entity has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within [30] [●] calendar days thereafter; or
- (viii) the Reference Entity causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an economic analogous effect to any of the events specified in clauses (i) to (vii).

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

**"Controlling"** shall be construed accordingly.

**"Credit Event"** means any of the following events, provided that any definition of these events applies to each Reference Entity separately [(and in the case of [(iii) (Restructuring) only for each Reference Entity of the Transaction Type ● corporate)] [(and in the case of [(iv)] (Repudiation/Moratorium) only for each Reference Entity of the Transaction Type ● corporate)] [(and in the case of [(v)]/[●]] (Potential Obligation Acceleration) only for each Reference Entity of the Transaction Type ● corporate)] [(and in the case of [(vi)]/[●]] (Obligation Acceleration) only for each Reference Entity of the Transaction Type ● corporate)] shall be applied: (i) Bankruptcy;

(ii) Failure to Pay [;] [and]

[(iii)] [Restructuring] [;] [and]

[(iv)] [Repudiation/Moratorium] [;] [and]

[(v)] [Potential Obligation Acceleration] [; and]

[(vi)] [Obligation Acceleration]].

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;
- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Effective Date"** means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

**"Credit Event Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. **[[In case the Credit Event Repudiation/Moratorium applies for the purpose of the definition of "Credit Event", insert:]** Each Credit Event Notice describing a Credit Event in form of a Repudiation/Moratorium which has occurred after the Final Determination Date shall refer to a Potential Repudiation/Moratorium within the Observation Period.] **[In case the Credit Event Failure to Pay applies for the purpose of the definition of "Credit Event" with grace period extension insert:]** Each Credit Event Notice describing a Credit Event in form of a Failure to Pay which has occurred after the Final Determination Date shall refer to a Potential Failure to Pay within the Observation Period.] The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount].*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**[In case the Credit Event Restructuring applies, insert: "Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].]

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and

- (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [www.isda.org/credit under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published. **[[In case of the Credit Event Restructuring insert:]]** If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*); or

- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Grace Period"** means

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]]**

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]



**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]]**

- (i) subject to (ii) and (iii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if a Potential Failure to Pay has occurred on or prior to the Final Determination Date and the applicable grace period cannot, by its terms, expire on or prior to the Final Determination Date, Grace Period will be deemed to be the lesser of such grace period or thirty calendar days; and
- (iii) if, as of the date of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a grace period of three Grace Period Banking Days shall be deemed to apply to such Obligation.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific underlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds].

**[[In case the Credit Event Obligation Acceleration applies for the purposes of the definition "Credit Event", insert:] "Obligation Acceleration"** means one or more Obligations of the Reference Entity in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.]

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Failure to Pay has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and of the Publicly Available Information on a Potential Failure to Pay confirming the occurrence of a Potential Failure to Pay within the Observation Period. The Potential Failure to Pay that is the subject of the Potential Failure to Pay Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective .]

**["Potential Obligation Acceleration"** means that one or more Obligations in an aggregate amount not less than the Default Requirement may be declared due and payable before it would otherwise have been due and payable as a result of, or on the basis of, the occurrence of default, event of default or another similar condition or event (however described), other than a failure to make any required payment by the Reference Entity under one or more Obligations.] **[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Potential Repudiation/Moratorium"** means

the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Potential Repudiation/Moratorium Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Repudiation/Moratorium has occurred within the Observation Period as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and of the Publicly Available Information on a Potential Repudiation/Moratorium confirming the occurrence of a Potential Repudiation/Moratorium within the Observation Period. The Potential Repudiation/Moratorium that is subject of the Potential Repudiation/Moratorium Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective.]

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Failure to Pay"** means information that reasonably confirms any of the facts relevant to the determination that the event described in a Potential Failure to Pay Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA,
- (ii) has been published in at least two Public Sources.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Repudiation/Moratorium"** means information that reasonably confirms any of the facts relevant for the determination that the Credit Event described in a Potential Repudiation/Moratorium Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA;
- (ii) has been published in at least two Public Sources.]

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website <http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where

there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;

- (3) by operation of law; or
- (4) due to the existence of a fixed cap;

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the **"Standard Recovery Valuation Date"**), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website there-to)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website there-to)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or

- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)) or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reduced Nominal Amount"** means the amount to be calculated according to the following formula:

$$\text{Reduced Nominal Amount} = \text{Nominal Amount} - \text{Aggregate Reduction Amount}$$

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the Obligations constituting Bonds [or Loans] of the Reference Entity and which are outstanding immediately prior to the effective date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:

- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds [or Loans] that are issued, incurred, redeemed, repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:] "Repudiation/Moratorium"** means the occurrence of both of the following events:

- (i) an authorized officer of the Reference Entity or a Governmental Authority
  - (1) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or

- (2) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (ii) a Failure to Pay (without regard to the Payment Requirement), or a Restructuring (determined without regard to the Default Requirement) with respect to any such Obligation.]

**["Restructuring"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or
  - (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

(x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or

(y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;

(z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.]

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●]



[<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.

**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

**"Successor"** means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;

- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor;
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor;
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such Succession;
- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, the entity Succeeding to the biggest portion of Obligations of the Reference Entity will be the Successor);
- (vii) if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity will be the sole Successor.

In respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may

become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

**"Successor Notice"** means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the existence of a Successor or several Successors;
- (ii) the occurrence of a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (iii) the Weighting of the Successor or Successors;
- (iv) the facts relevant for the determination that a Succession has occurred; and
- (v) the Publicly Available Successor Information.

**["Swap Unwind Amount"** means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

**"Transaction Type"** means in relation to the relevant Reference Entity the Transaction Type as specified in the table in § 17 of the Product Data under the definition "Reference Entity" in the column "Transaction Type".<sup>7</sup>

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means

**[[In case of a European corporate and other corporates, insert:]** any individual or entity other than the Reference Entity who has entered into an Underlying Obligation]

**[[In case of a North American corporate, insert:]** (i) any individual or entity other than the Reference Entity who has entered into an Underlying Obligation or (ii) any entity whose outstanding voting shares were, at the date of issuance of the Qualifying Guarantee, more than fifty per cent owned, directly or indirectly, by the Reference Entity].

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<sup>7</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: European corporate or North American corporate.

**"Valuation Obligation"** means

(i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity in respect of which a Credit Event Notice has been given that on the Recovery Valuation Date meets the following criteria:

(1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;

[(2) an Obligation, that constitutes a transferable obligation;]

[(3) an Obligation, that constitutes a transferable Loan or a consent required Loan;]

[(4) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]

[(5)][an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]

[(6)][an Obligation, that **[insert applicable additional criteria]**;]

[(6)]an Obligation which with respect to the Reference Obligation is not subordinated.

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation.

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

**"Weighting"** means, in respect of the relevant Reference Entity, the Weighting specified in the table und the definition "Reference Entity" in the column "Weighting", or, in case of the existence of a Successor, the portion of such Successor specified in the Successor Notice; such portion shall (i), in case of one Successor, equal the Weighting of the replaced Reference Entity and (ii), in case of several Successors, equal the Weighting of the replaced Reference Entity divided by the number of Successors.

**"Weighted Amount"** means with respect to the relevant Reference Entity the product of the Nominal Amount and the Weighting of the Reference Entity.

**§ 8 Principal Paying Agent, Paying Agent**

(1) ***Paying Agents.***

The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

(2) ***Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

(3) ***Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

**§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

**§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

**§ 11 Substitution of the Issuer**

**(1) Requirements for a Substitution.**

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
- (d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktienengesetz*).

**(2) Notices.**

Any such substitution shall be notified in accordance with § 12.

**(3) References.**

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

- (1)** To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

### **§ 13 Issuance for additional Securities, Repurchase**

- (1) *Issuance of additional Securities.*

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

- (2) *Repurchase.*

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

### **§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

### **§ 15 Partial Invalidity, Corrections**

- (1) *Invalidity.*

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

- (2) *Typing and calculation errors.*

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his de-

pository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

(3) ***Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.



(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

(1) ***Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

(2) ***Place of Performance.***

Place of performance is Munich.

(3) ***Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.

**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>[1]</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed] Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[•%]</b>

**]**

**[Floating Interest Rate: [Insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[•%]</b>

**]**

**ISIN: [Insert]**

**Issue Date: [Insert]**

**Issue Volume:** [Insert]

**[Issuing Agent:** [Insert name and address of the Issuing Agent]]

**[Maximum Interest Rate:** [Insert]]

**[Minimum Interest Rate:** [Insert]]

**Nominal Amount:** [Insert][not applicable]

**[Premium:** [Insert]]

**Reference Entity:**

<b>"Reference Entity"</b>	<b>"Transaction Type" in relation to the relevant Reference Entity</b>	<b>"Weighting" of the Reference Entity in per cent.</b>
[insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]  [insert name and ISIN (if any)] <sup>8</sup>	• Corporate <sup>9</sup>	• <sup>10</sup>

**Reference Obligation:** [Insert]

**[Reference Rate<sub>[1]</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate<sub>2</sub>:** [•]-[month][year] [EURIBOR] [[•] LIBOR]]

**[Reference Rate Currency:** [Insert]]

**[Reference Rate Financial Centre:** [Insert]]

**[Reference Rate-Maturity<sub>[1]</sub>:** [Insert]]

**[Reference Rate-Maturity<sub>2</sub>:** [Insert]]

**[Reference Rate Time:** [Insert]]

**[Registered Benchmark Administrator<sub>[1]</sub>:** [Insert]]

**[Registered Benchmark Administrator<sub>2</sub>:** [Insert]]

<sup>8</sup> this option can be used multiple times.

<sup>9</sup> this option can be used multiple times.

<sup>10</sup> this option can be used multiple times.

**Scheduled Maturity Date: [Insert]**

**[Screen Page: [Insert]]**

**Series Number: [Insert]**

**Specified Currency: [Insert]**

**Tranche Number: [Insert]**

**[Transaction Type: [Insert]]**

**Website of the Issuer: [Insert]**

**Website for Notices: [Insert]**

**WKN: [Insert]**

**PRODUCT TYPE 5: Securities that relate to multiple countries as Reference Entities.**

**§ 1 Form, Clearing-System, Global Note, Custody**

**(1) *Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

**(2) *Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]** The right to receive interest is represented by the Global Note.]

**(3) *Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

**(1) *Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

**[[In the case Act/Act (ICMA) does not apply, the following applies:]]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[in case of a fixed Interest Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest

Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

- (c) The respective **"Interest Amount"** is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]**

- (d) **"Day Count Fraction"** for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;



"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]

**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Reduction of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, or, if no Interest Payment Date has occurred yet, from the Issue Date, and the Interest Amount will be calculated accordingly.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly. Payment of any outstanding Interest Amount in respect to the Weighted Amount of the Reference Entity up to the day (inclusive) of the Credit Event Notice will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]

(3) ***Deferred payment of an Interest Amount.***

**[[Insert in case of only one Interest Period:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]]**

(4) ***Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices***

(a) ***Replacement Reference Rate:*** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")

- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
- (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
- (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) ex-

change traded interest futures with a comparable term, or – in the event and as long as this is not the case –

- (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

- (b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securities; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).
- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to an extraordinary termination pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, each Security shall be redeemed on the Scheduled Maturity Date by payment of the Nominal Amount.

- (2) ***Redemption after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall cease. Instead, the Issuer shall be obliged to redeem

- (i) subject to paragraph (3), the Reduced Nominal Amount on the Scheduled Maturity Date; and

- (ii) each Credit Event Redemption Amount on the Settlement Date

The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

(3) ***Partially deferred redemption.***

If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date, nevertheless the Issuer shall redeem the Securities no later than on the Deferred Redemption Date. The Issuer shall not be obliged to make additional payments due to a deferred redemption. The Issuer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

(1) ***Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

(2) ***Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs *[Insert period]* after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).



**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

**(1) *Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in respect to one Reference Entity in the following cases:

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) additionally, in one of the following additional cases, if the parameters of paragraph (i) do not apply from a temporal perspective:
  - (a) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also occur after the Final Determination Date), or
  - (b) the Credit Event Repudiation/Moratorium occurs after a Potential Repudiation/Moratorium Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Repudiation/Moratorium Notice (whilst such a Credit Event and such a Credit Event Notice may also be after the Final Determination Date)

**[[In case the Credit Event Failure to Pay applies with grace period extensions, insert:]; or**

- (c) the Credit Event Failure to Pay occurs after a Potential Failure to Pay Notice and a Credit Event Notice in relation to this Credit Event is made within one year of the Potential Failure to Pay Notice (whilst such a Credit Event and such a Credit Event Notice may also be after the Final Determination Date).]

**(2) *Requirements for a Payment Deferral.***

The "**Requirements for a Payment Deferral**" are fulfilled in respect to one Reference Entity if within the Observation Period either (i) a Credit Event Resolution Request Date or (ii) a Potential Repudiation/Moratorium Notice

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]**

or (iii) a Potential Failure to Pay Notice] has occurred.

The Requirements for a Payment Deferral may be fulfilled for up to one year after the Credit Event Resolution Request Date or, respectively, after the Potential Repudiation/Moratorium Notice **[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]** or, respectively, the Potential Failure to Pay Notice]. In any case the Requirements for a Payment Deferral shall cease if a Credit Event Notice in relation to the requested or, respectively, the relevant Credit Event has occurred.]

The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Note due and payable for the reason of such a payment deferral.

#### **§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.
- (2) **"Call Event"** means each of the following events:
  - (i) a Successor does not match to the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not a • Sovereign] [not an Emerging European or Middle Eastern Sovereign]; or
  - (ii) an Additional Call Event.

#### **§ 7 Definitions**

- (1) ***General Definitions (without credit-linkage).***

**["Accrual Period"** means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]**

**"Additional Call Event"** means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**["Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]]**

**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)].

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("CBF").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("CBL") and Euroclear Bank SA/NV ("Euroclear Bank") (CBL and Euroclear are individually referred to as an "ICSD" (International Central Securities Depository) and, collectively, the "ICSDs").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice; or

(iii) a Potential Failure to Pay Notice].

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]; or**

(iii) a Potential Failure to Pay Notice].

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Discount"** means the Discount as specified § 17 of the Product Data.]

**["Eurozone"** means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

**["Factor<sub>[1]</sub>"** means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Factor<sub>2</sub>"** means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Fixed Interest Rate"** means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

**["Floating Interest Rate"** means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[, ] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = [(Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>]) [+ ] [-] [Premium] [Discount]].)]

**[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:] "Hedging Disruption"** means that the Issuer is not able to

(i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or

(ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:]]** **"Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

(i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or

(ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the product of

(i) Interest Rate;

(ii) Day Count Fraction; and

(iii) the Nominal Amount (if the Interest Amount is calculated by reference to the Nominal Amount) or Reduced Nominal Amount (if the Interest Amount is calculated by reference to the Reduced Nominal Amount) or Weighted Amount (if the Interest Amount is calculated by reference to the Weighted Amount).

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**["Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. ["[TARGET] [London] [*Insert city*] Bank-

**ing Day**" means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]**

**["Interest Payment Date"** means the First Interest Payment Date and each date that follows [*Insert number of months*] month[s] after the First Interest Payment Date or the preceding Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]** ["**Issuing Agent**" means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]**

**["Reference Banks"** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]**

**"[Reference Rate][EURIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][**insert other time**] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[**(a)**] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.][;]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[**(b)**] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the

Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Specified Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

"**[Reference Rate][LIBOR]**" means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] **[Insert other Reference Rate Financial Centre]** time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]



[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[~~(b)~~] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [*insert different number*] [Banking Days] prior to the respective Interest Determination Date].]

**"Reference Rate<sub>1</sub>"** means the Reference Rate<sub>1</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**"Reference Rate<sub>2</sub>"** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**"Reference Rate Call Event"** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**"Reference Rate Cessation Event"** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,

- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**["Reference Rate Currency"** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>[1]</sub>"** means the Reference Rate-Maturity<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>2</sub>"** means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Time"** means the Reference Rate Time as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>[1]</sub>"** means the Registered Benchmark Administrator<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>2</sub>"** means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

**"Scheduled Maturity Date"** means the date specified in § 17 of the Product Date subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]**

**"Screen Page"** means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen

Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

**"Specified Currency"** means the Specified Currency as specified in § 17 of the Product Data.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"TARGET Business Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.

**"Website of the Issuer"** means the Website of the Issuer as specified in § 17 of the Product Data.

**"Website for Notices"** means the Website for Notices as specified in § 17 of the Product Data.

(2) ***Exercise of discretion and specific Definitions (with credit-linkage).***

(a) ***Exercise of discretion.***

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

**"Aggregate Reduction Amount"** means as of the relevant time pursuant to § 2(2) or § 3(2), the sum of all Weighted Amounts of all Reference Entities that have been subject to a Credit Event.

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

**"Controlling"** shall be construed accordingly.

**"Credit Event"** means any of the following events, provided that any definition of these events applies to each Reference Entity separately [(and in the case of [(iii) (Restructuring) only for each Reference Entity of the Transaction Type • sovereign] [(and in the case of [(v)]/[•]] (Potential Obligation Acceleration) only for each Reference Entity of the Transaction Type • corporate)] [(and in the case of [(vi)]/[•]] (Obligation Acceleration) only for each Reference Entity of the Transaction Type • corporate)] shall be applied:

- (i) Failure to Pay;
- (ii) Repudiation/Moratorium; [and]
- (iii) Restructuring [;] [and]
- [(iv)] [Potential Obligation Acceleration] [; and]
- [(v)] [Obligation Acceleration].

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;
- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Effective Date"** means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

**"Credit Event Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. Each Credit Event Notice describing a Credit Event in form of a Repudiation/Moratorium which has occurred after the Final Determination Date shall refer to a Potential Repudiation/Moratorium within the Observation Period. [In case the Credit Event Failure to Pay applies for the purpose of the definition of "Credit Event" with grace period extension insert:] Each Credit Event Notice describing a Credit Event in form of a Failure to Pay which has occurred after the Final Determination Date shall refer to a Potential Failure to Pay within the Observation Period.] The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount].*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**"Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and
  - (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [[www.isda.org/credit](http://www.isda.org/credit) under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published. **[[In case of the Credit Event Restructuring insert:].** If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*)]; or
- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Grace Period"** means

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" without grace period extension, insert:]**

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event" with grace period extension, insert:]**

- (i) subject to (ii) and (iii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if a Potential Failure to Pay has occurred on or prior to the Final Determination Date and the applicable grace period cannot, by its terms, expire on or prior to the Final Determination Date, Grace Period will be deemed to be the lesser of such grace period or thirty calendar days; and
- (iii) if, as of the date of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a grace period of three Grace Period Banking Days shall be deemed to apply to such Obligation.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so speci-

fied, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific underlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds].

**[[In case the Credit Event Obligation Acceleration applies for the purposes of the definition "Credit Event", insert:] "Obligation Acceleration"** means one or more Obligations of the Reference Entity in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.]

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.



**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.]

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Potential Failure to Pay Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Failure to Pay has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and of the Publicly Available Information on a Potential Failure to Pay confirming the occurrence of a Potential Failure to Pay within the Observation Period. The Potential Failure to Pay that is the subject of the Potential Failure to Pay Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective .]

**["Potential Obligation Acceleration"** means that one or more Obligations in an aggregate amount not less than the Default Requirement may be declared due and payable before it would otherwise have been due and payable as a result of, or on the basis of, the occurrence of default, event of default or another similar condition or event (however described), other than a failure to make any required payment by the Reference Entity under one or more Obligations.]

**"Potential Repudiation/Moratorium"** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.]

**"Potential Repudiation/Moratorium Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Potential Repudiation/Moratorium has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and of the Publicly Available Information on a Potential Repudiation/Moratorium confirming the occurrence of a Potential Repudiation/Moratorium within the Observation Period. The Potential Repudiation/Moratorium that is the subject of the Potential Repudiation/Moratorium Notice need not be continuing on the date the Potential Repudiation/Moratorium Notice is effective.

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**[[In case the Credit Event Failure to Pay applies for the purposes of the definition "Credit Event", insert:] "Publicly Available Information on a Potential Failure to Pay"** means information that reasonably confirms any of the facts relevant to the determination that the event described in a Potential Failure to Pay Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA,
- (ii) has been published in at least two Public Sources.]

**"Publicly Available Information on a Potential Repudiation/Moratorium"** means information that reasonably confirms any of the facts relevant for the determination that the Credit Event described in a Potential Repudiation/Moratorium Notice has occurred and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA;
- (ii) has been published in at least two Public Sources.

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website <http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees,

undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;
  - (3) by operation of law; or
  - (4) due to the existence of a fixed cap;

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the "**Standard Recovery Valuation Date**"), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or
- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reduced Nominal Amount"** means the amount to be calculated according to the following formula:

$$\text{Reduced Nominal Amount} = \text{Nominal Amount} - \text{Aggregate Reduction Amount}$$

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the Obligations constituting Bonds [or Loans] of the Reference Entity and which are outstanding immediately prior to the effective date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:

- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds [or Loans] that are issued, incurred, redeemed, repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**"Repudiation/Moratorium"** means the occurrence of both of the following events:

- (i) an authorized officer of the Reference Entity or a Governmental Authority
  - (1) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (2) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (ii) a Failure to Pay (without regard to the Payment Requirement), or a Restructuring (determined without regard to the Default Requirement) with respect to any such Obligation.

**["Restructuring"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or

- (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

- (x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or
- (y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;
- (z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.]

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●] [<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (the latter including any protocol, treaty, convention, accord, concord, entente, pact or other agreements) or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.

**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

**"Succession Event"** means an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

**"Successor"** means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor;
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor;
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor



and the Reference Entity will not be changed in any way as a result of such Succession;

- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, the entity Succeeding to the biggest portion of Obligations of the Reference Entity will be the Successor);

In respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

**"Successor Notice"** means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the occurrence of a Succession Event and a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (ii) the Successor;
- (iii) the facts relevant for the determination that a Successor Event has occurred; and
- (iv) the Publicly Available Successor Information.

**["Swap Unwind Amount"** means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

**"Transaction Type"** means in relation to the relevant Reference Entity the Transaction Type as specified in the table in § 17 of the Product Data under the definition "Reference Entity" in the column "Transaction Type".<sup>11</sup>

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<sup>11</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: Western European Sovereign or Latin American Sovereign.

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means

any individual or entity other than the Reference Entity who has entered into an Underlying Obligation.

**"Valuation Obligation"** means

(i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity in respect of which a Credit Event Notice has been given that on the Recovery Valuation Date meets the following criteria:

(1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;

[(2) an Obligation, that constitutes a transferable Loan or a consent required Loan;]

[(3) an Obligation, that constitutes a transferable obligation;]

[(4)] [an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]

[(5) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]

[(●) [insert applicable additional criteria];] as well as

[(5)] in case of a Restructuring an Obligation that did not arise on or after the Restructuring.

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation; or

(ii) at the choice of the Issuer in the event of a Restructuring (even if the Credit Event Notice designates another previously occurring Credit Event)

(1) an Obligation published as so-called Package Observable Bond on the website [●] [<http://www.isda.org/credit> (or a page which replaces it)] (or any successor website thereto) immediately prior to the occurrence of the Credit Event, or

(2) such equity, amounts of cash, securities, fees (including any "early bird" or other consent fee) rights and/or other assets (each an "Asset Package") in the proportion received or obtained by a relevant creditor by way of exchange as conversion of an Obligation pursuant to Section (ii)(1) (which may include said

Obligation). If the relevant holder is offered a choice of assets or a choice of combinations of assets, the largest Asset Package with respect to the amount of principal or, if the respective asset is not expressed as an amount of principal, the largest Asset Package with respect to its value, shall be selected. If nothing is offered to the relevant creditor and the relevant creditor receives nothing, the value of the Asset Package shall be zero.

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

**"Weighting"** means, in respect of the relevant Reference Entity, the Weighting specified in the table und the definition "Reference Entity" in the column "Weighting", or, in case of the existence of a Successor, the portion of such Successor specified in the Successor Notice; such portion shall (i), in case of one Successor, equal the Weighting of the replaced Reference Entity and (ii), in case of several Successors, equal the Weighting of the replaced Reference Entity divided by the number of Successors.

**"Weighted Amount"** means with respect to the relevant Reference Entity the product of the Nominal Amount and the Weighting of the Reference Entity.

## **§ 8 Principal Paying Agent, Paying Agent**

### **(1) *Paying Agents.***

The **"Principal Paying Agent"** is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint additional paying agents (the **"Paying Agents"**) and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

### **(2) *Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

### **(3) *Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

## **§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding

is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

#### **§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

#### **§ 11 Substitution of the Issuer**

##### **(1) Requirements for a Substitution.**

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that

- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
- (d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

##### **(2) Notices.**

Any such substitution shall be notified in accordance with § 12.

(3) ***References.***

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

- (1) To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

**§ 13 Issuance for additional Securities, Repurchase**

- (1) ***Issuance of additional Securities.***

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

- (2) ***Repurchase.***

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

**§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

**§ 15 Partial Invalidity, Corrections**

**(1) *Invalidity.***

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

**(2) *Typing and calculation errors.***

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

**(3) *Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.

(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

(1) ***Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

(2) ***Place of Performance.***

Place of performance is Munich.

(3) ***Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.

**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>1</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed] Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
[[●] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]	[[●%]
]	

**[Floating Interest Rate: [Insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
[[●] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]	[[●%]
]	

**ISIN: [Insert]**

**Issue Date: [Insert]**

**Issue Volume: [Insert]**

**[Issuing Agent: [Insert name and address of the Issuing Agent]]**

**[Maximum Interest Rate: [Insert]]**

**[Minimum Interest Rate: [Insert]]**

**Nominal Amount: [Insert][not applicable]**

**[Premium: [Insert]]**



**Reference Entity:**

<b>"Reference Entity"</b>	<b>"Transaction Type" in relation to the relevant Reference Entity</b>	<b>"Weighting" of the Reference Entity in per cent.</b>
<b>[insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]</b>	<b>• [Sovereign][Emerging European or Middle Eastern Sovereign]<sup>13</sup></b>	<b>•<sup>14</sup></b>
<b>[insert name and ISIN (if any)]<sup>12</sup></b>		

**Reference Obligation: [Insert]**

**[Reference Rate<sub>[1]</sub>: [•]-[month]][year] [EURIBOR] [[•] LIBOR]**

**[Reference Rate<sub>2</sub>: [•]-[month]][year] [EURIBOR] [[•] LIBOR]**

**[Reference Rate Currency: [Insert]]**

**[Reference Rate Financial Centre: [Insert]]**

**[Reference Rate-Maturity<sub>[1]</sub>: [Insert]]**

**[Reference Rate-Maturity<sub>2</sub>: [Insert]]**

**[Reference Rate Time: [Insert]]**

**[Registered Benchmark Administrator<sub>[1]</sub>: [Insert]]**

**[Registered Benchmark Administrator<sub>2</sub>: [Insert]]**

**Scheduled Maturity Date: [Insert]**

**[Screen Page: [Insert]]**

**Series Number: [Insert]**

**Specified Currency: [Insert]**

**Tranche Number: [Insert]**

**[Transaction Type: [Insert]]**

**Website of the Issuer: [Insert]**

**Website for Notices: [Insert]**

**WKN: [Insert]**

<sup>12</sup> this option can be used multiple times.

<sup>13</sup> this option can be used multiple times.

<sup>14</sup> this option can be used multiple times.

**PRODUCT TYPE 6: Securities that relate to multiple financial institutions as Reference Entities.**

**§ 1 Form, Clearing-System, Global Note, Custody**

**(1) *Form.***

This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as securities in bearer form pursuant to these Conditions with a Nominal Amount in the Specified Currency.

**(2) *Global Note.***

The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer **[[In the case of an Issuing Agent, the following applies:]]** as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. **[[In the case of interest-bearing Securities, the following applies:]]** The right to receive interest is represented by the Global Note.]

**(3) *Custody.***

**[[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:]]**

The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:]]**

The Global Notes will be kept in custody by a common depositary on behalf of both ICSDs.]

**§ 2 Interest**

**(1) *Interest payments if no Credit Event occurs.***

**[[In the case of Act/Act (ICMA), the following applies:]]**

(a) The Securities bear interest on their Nominal Amount from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

**[[In the case Act/Act (ICMA) does not apply, the following applies:]]**

- (a) The Securities bear interest in arrears on their Nominal Amount for [the] [each] Interest Period at the Interest Rate.]

**[[in case of a fixed Interest Rate for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of different Interest Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Interest Rate as specified in § 17 of the Product Data for each Interest Period.]

**[[In case of Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" means the Floating Interest Rate.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Fixed Floating Rates for each Interest Period, the following applies:]]**

- (b) "**Interest Rate**" is either the Fixed Interest Rate or the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest

Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In case of Interest Rate Difference Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>] [+] [-] [Premium] [Discount]).

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate.]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate.]]

**[[In case of Interest Rate Difference Fixed Floating Rate for each Interest Period, the following applies:]]**

- (b) **"Interest Rate"** for the respective Interest Period is either equal to the Fixed Interest Rate or to the Floating Interest Rate, as specified for the respective Interest Period in § 17 of the Product Data.

**[[In the case of all Securities with a Maximum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is higher than the Maximum Interest Rate, then the Interest Rate for that Interest Period is the Maximum Interest Rate. [The Maximum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

**[[In the case of all Securities with a Minimum Interest Rate, the following applies:]]**

If the Interest Rate determined for an Interest Period is lower than the Minimum Interest Rate, then the Interest Rate for that Interest Period is the Minimum Interest Rate. [The Minimum Interest Rate does not apply to Interest Periods with a Fixed Interest Rate.]]

- (c) The respective "**Interest Amount**" is the product of the Interest Rate, the Nominal Amount and the Day Count Fraction.

The respective Interest Amount becomes due for payment in the Specified Currency on the relevant Interest Payment Date in accordance with the provisions of § 4 of the Special Conditions.]

**[[In the case that Act/Act (ICMA) does not apply, the following applies:]**

- (d) "**Day Count Fraction**" for the purpose of calculating the Interest Amount for an Interest Period means:

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2000, the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

**[[In the case of "30/360", "360/360" or "Bond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period divided by 360, calculated using the following formula:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:]**

the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

**[[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D<sub>2</sub> would be 30.]

**[[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:]]**

the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February, or (ii) such number would be 31, in which case D<sub>1</sub> will be equal to 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Payment Date, or (ii) such number would be 31, in which case D<sub>2</sub> will be equal to 30.]

**[[In the case of "Act/360", the following applies:]]**

the actual number of days in the Interest Period divided by 360.]

**[[In the case of "Act/365" (Fixed), the following applies:]]**

the actual number of days in the Interest Period divided by 365.]

**[[In the case of "Act/Act (ISDA)", the following applies:]]**

the actual number of days in the Interest Period divided by 365 (or, if a portion of that Interest Period falls into a leap year, the total of (i) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (ii) the actual number of days in the Interest Period that do not fall into the leap year divided by 365).]]

**[[In the case of Act/Act (ICMA), the following applies:]]**

**"Day Count Fraction"** for the purposes of determining an Interest Amount in respect of an Accrual Period is Act/Act (ICMA), calculated as follows

[[ (i) if the Accrual Period is equal to or shorter than the Interest Period during which it falls,] the number of days in the Accrual Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

[[ (ii) if the Accrual Period is longer than the Interest Period:] the sum of

(A) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins, divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in one year], and

(B) the number of days in such Accrual Period falling in the next Interest Period divided by [the product of (1)] the number of days in such Interest Period [and (2) the number of Interest Periods normally ending in any year].]

(2) ***Reduction of interest payments after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and if the Requirements for the Occurrence of a Credit Event set out in § 4(1) are fulfilled, the Securities

**[[insert in case of only one Interest Period and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly.]

**[[insert in case of several Interest Periods and no payment of accrued interest:]]** will bear interest at the Reduced Nominal Amount from the Interest Payment Date (inclusive) which immediately precedes the date of the Credit Event Notice, or, if no Interest Payment Date has occurred yet, from the Issue Date, and the Interest Amount will be calculated accordingly.]

**[[In the case of a payment of accrued interest, insert:]]** will, from the Credit Event Effective Date (inclusive), bear interest at the Reduced Nominal Amount and the Interest Amount will be calculated accordingly. Payment of any outstanding Interest Amount in respect to the Weighted Amount of the Reference Entity up to the day (inclusive) of the Credit Event Notice will be made on the Settlement Date. The payment of such Interest Amount may occur after the Scheduled Maturity Date.]



(3) *Deferred payment of an Interest Amount.*

**[[Insert in case of only one Interest Period:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay the Interest Amount after the Interest Payment Date, but no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.]

**[[Insert in case of several Interest Periods:]]** If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 4(2) are fulfilled, the Issuer shall be permitted to pay [each] [the] Interest Amount, which is due on an Interest Payment Date, after such Interest Payment Date, but no later than on the Deferred Interest Payment Date or, to the extent the final Interest Period is also affected, no later than on the Deferred Redemption Date. The Issuer is not obliged to make additional payments due to a deferred payment of an Interest Amount. The Issuer will notify the Security Holder of the deferred Payment Date no later than on the Deferred Interest Payment Date or the Deferred Redemption Date (as applicable) pursuant to § 12.]

**[[In the case of Securities with Reference Rates, the following applies:]]**

(4) *Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices*

(a) **Replacement Reference Rate:** Upon the occurrence of a Reference Rate Cessation Event on or preceding an Interest Determination Date, the Reference Rate will be replaced by the Issuer with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")

- (i) has been publicly and permanently declared as the replacement for the original Reference Rate by the Administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
- (ii) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the [Specified Currency][Reference Rate Currency], the type of interest payment and the term), or – in the event and as long as this is not the case –
- (iii) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the [Specified Currency][Reference Rate Currency] or (y) ex-

change traded interest futures with a comparable term, or – in the event and as long as this is not the case –

- (iv) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the [Specified Currency][Reference Rate Currency] and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Interest Determination Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (i) to (iv) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

- (b) **Adjustments:** If necessary, the Issuer will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (i) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (ii) the method for determination of the Reference Rate (including any rounding rules),
- (iii) the Reference Rate-Maturity, which can be shortened or extended;
- (iv) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (v) the Day Count Fraction;
- (vi) the Interest Determination Date (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (vii) the banking day convention according to § 4 (2).

Such adjustments shall enable the Issuer

- (A) to use the Replacement Reference Rate in accordance with the then prevailing market practice

or – to the extent that the Issuer determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –

- (B) to use the Replacement Reference Rate in such a manner as determined by the Issuer necessary for its use as the Replacement Reference Rate for the Securities; whether this is the case shall be determined by the Issuer at its reasonable discretion (§ 315 et seq. BGB).
- (c) ***Interest rate adjustment factor or spread:*** In addition to an adjustment under paragraph (b), the Issuer may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount [in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).] [in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.]
- (d) ***Notices:*** The Issuer shall notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 12, without undue delay of the Replacement Reference Rate pursuant to paragraph (a) and the adjustments and determinations made pursuant to paragraphs (b) and (c) as well as the date of first application.]

### **§ 3 Redemption**

- (1) ***Redemption on the Scheduled Maturity Date at the Nominal Amount if no Credit Event occurs.***

Subject to a redemption pursuant to § 6 and subject to the provisions in paragraphs (2) and (3) below, the Securities will be redeemed on the Scheduled Maturity Date at their Nominal Amount.

- (2) ***Redemption after the occurrence of a Credit Event.***

If the Issuer becomes aware of a Credit Event in respect to one or several Reference Entities based on Publicly Available Credit Event Information and the Requirements for the Occurrence of a Credit Event set out in § 5(1) are fulfilled, the Issuer's obligation to redeem the Securities at their Nominal Amount shall be discharged in full. Instead, the Issuer shall be obliged to redeem

- (i) subject to paragraph (3), the Reduced Nominal Amount on the Scheduled Maturity Date; and

(ii) each Credit Event Redemption Amount on the Settlement Date

The redemption at the Credit Event Redemption Amount following the occurrence of a Credit Event may occur after the Scheduled Maturity Date.

(3) ***Partially deferred redemption.***

If in respect to one or several Reference Entities the Requirements for a Payment Deferral set out in § 5(2) are fulfilled, the Issuer may redeem the Securities after the Scheduled Maturity Date, nevertheless the Issuer shall redeem the Securities no later than on the Deferred Redemption Date. The Issuer shall not be obliged to make additional payments due to a deferred redemption. The Issuer shall notify the Security Holder of the Deferred Payment Date no later than on the Deferred Redemption Date pursuant to § 12.

**§ 4 Payments**

(1) ***Rounding.***

**[[In the case of all Securities where the amounts payable are determined in Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

**[[In the case of all Securities where the amounts payable are determined in a currency other than Euro, the following applies:]]**

The amounts payable under these Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]

(2) ***Banking Day Convention.***

**[[In the case of all Securities to which the Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day.]

**[[In the case of all Securities to which the Modified Following Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Preceding Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall be entitled to payment on the immediately preceding Banking Day.]

**[[In the case of all Securities to which the Floating Rate Banking Day Convention is applicable, the following applies:]]**

If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day, then the Security Holders shall not be entitled to payment until the next following Banking Day, unless that day would fall into the next calendar month; in that case (i) the Payment Date is moved forward to the immediately preceding Banking Day and (ii) each subsequent Interest Payment Date is the respective last Banking Day of the month that occurs [*Insert period*] after the preceding applicable Interest Payment Date.]

**[[In the case of all Securities for which the Interest Amount is adjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are adjusted accordingly.]

**[[In the case of all Securities for which the Interest Amount is unadjusted, the following applies:]]**

If the due date for a payment, if applicable, is moved forward or postponed, such Payment Date and the respective Interest Amount are not adjusted. The Security Holders are not entitled to further interest or other payments in respect of such delay.]

(3) ***Manner of payment, discharge.***

All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.

(4) ***Interest of default.***

If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

**§ 5 Requirements for the Occurrence of a Credit Event and Requirements for a Payment Deferral**

**(1) *Requirements for the Occurrence of a Credit Event.***

The "**Requirements for the Occurrence of a Credit Event**" shall be fulfilled in respect to one Reference Entity in the following [two] cases:

- (i) a Credit Event occurs within the Observation Period and a Credit Event Notice in relation to this Credit Event is published within the Observation Period, or
- (ii) a Credit Event occurs within the Observation Period and a Credit Event Notice is made within one year of the Credit Event Resolution Request Date in relation to the requested Credit Event (whilst such a Credit Event Notice can also be given after the Final Determination Date).

**(2) *Requirements for a Payment Deferral.***

The "**Requirements for a Payment Deferral**" are fulfilled in respect to one Reference Entity if

- (i) within the Observation Period a Credit Event Resolution Request Date has occurred; and
- (ii) within a year after the Credit Event Resolution Request Date no Credit Event Notice has been given in relation to the requested Credit Event.

The Issuer notifies the Security Holder of the fulfilment of the Requirements for a Payment Deferral pursuant to § 12. The Security Holder does not have the right to declare his/her Note due and payable for the reason of such a payment deferral.

**§ 6 Extraordinary termination by the Issuer upon the occurrence of a Call Event**

- (1) Upon the occurrence of a Call Event, the Issuer may terminate the Securities by giving notice pursuant to § 12. In this case, the Securities shall be redeemed at the Cancellation Amount on the Call Date.

**(2) "Call Event" means each of the following events:**

- (i) a Successor does not match the Transaction Type of the original Reference Entity, because the Successor (other than the original Reference Entity) is [not a financial institution with its statutory seat in •][ or not a financial institution with its statutory seat in •]; or
- (ii) an Additional Call Event.

**§ 7 Definitions**

**(1) General Definitions (without credit-linkage).**

**["Accrual Period"** means each period for which an Interest Amount is to be calculated.]

**[[In case of Securities with an Additional Call Event, the following applies:]**

**"Additional Call Event"** means [a Reference Rate Call Event] [a Change in Law] [,] [or] [a Hedging Disruption] [or] [Increased Costs of Hedging.]

**"Banking Day"** means each day (other than a Saturday or Sunday), on which the Clearing System is open for business and which is a TARGET-Banking Day [and][on which commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

**["Banking Day Financial Centre"** means the Banking Day Financial Centre as specified in § 17 of the Product Data.]

**"Call Date"** is the date specified by the Issuer in a call notice according to § 12, at the latest the 10th Banking Day following the publication of the notice.

**"Cancellation Amount"** means the fair market value of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), plus any interest accrued up to, and excluding, the date for redemption and calculated in accordance with § 2. The Issuer shall arrange for the Cancellation Amount to be notified to the Security Holder pursuant to § 12.

**[[In case a Change of Law constitutes an Additional Call Event, the following applies:]**

**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)]

The Issuer determines in its reasonable discretion (§ 315 BGB), whether this is the case.]

**[[In case of Securities having CBF as Clearing System, the following applies:]]**

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

**[[In case of Securities having CBL and Euroclear Bank as Clearing System, the following applies:]]**

**"Clearing System"** means Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**").]

**"Conditions"** means the provisions of the terms and conditions applicable to the Securities.

**"Day Count Fraction"** means the Day Count Fraction as specified in § 2(1)(d).

**"Deferred Interest Payment Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after

**[[In case the Credit Event Repudiation/Moratorium does not apply for the purposes of the definition "Credit Event", insert:]]** a Credit Event Resolution Request Date.]

**[[In case the Credit Event Repudiation/Moratorium applies for the purposes of the definition "Credit Event", insert:]]** the later of the following dates:

- (i) a Credit Event Resolution Request Date; or
- (ii) a Potential Repudiation/Moratorium Notice.]

**"Deferred Redemption Date"** means subject to the banking day convention according to these Conditions the day which is one year and five Banking Days after a Credit Event Resolution Request Date.

**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]]**

**["Discount"** means the Discount as specified § 17 of the Product Data.]

**["Eurozone"** means the states and territories listed in the Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.]

**["Factor<sub>[1]</sub>"** means the Factor<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Factor<sub>2</sub>"** means the Factor<sub>2</sub> as specified in § 17 of the Product Data.]]

**"First Interest Payment Date"** means the First Interest Payment Date as specified in § 17 of the Product Data.



**[[In the case of Securities with a Reference Rate, insert the following (if applicable):]**

**["Fixed Interest Rate"** means with respect to the relevant Interest Period the [respective] Fixed Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means [with respect to [each] [the relevant] Interest Period] the [respective] Floating Interest Rate as specified in § 17 of the Product Data.]

**["Floating Interest Rate"** means the Reference Rate [multiplied by the Factor] [and] [plus the Premium] [minus the Discount].]

**["Floating Interest Rate"** means the difference between the Reference Rate<sub>1</sub> [multiplied by Factor<sub>1</sub>] and the Reference Rate<sub>2</sub> [multiplied by Factor<sub>2</sub>], as displayed on the Screen Page on the relevant Interest Determination Date[,] [multiplied by the Factor] [[plus] [minus] the [Premium] [Discount]] (expressed as a formula, this means: Interest Rate = [(Reference Rate<sub>1</sub> [x Factor<sub>1</sub>] – Reference Rate<sub>2</sub> [x Factor<sub>2</sub>]) [+ ] [-] [Premium] [Discount]].)]

**[[In case a Hedging Disruption constitutes an Additional Call Event, the following applies:] "Hedging Disruption"** means that the Issuer is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the Issue Date. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Security Holder"** means any holder of a proportionate co-ownership or other beneficial interest or right in the Global Note which in each case is transferable in accordance with the rules of the relevant Clearing System and applicable law.

**[[In case Increased Costs of Hedging constitutes an Additional Call Event, the following applies:] "Increased Costs of Hedging"** means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging. Whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

**"Interest Amount"** means the product of

- (i) Interest;
- (ii) Rate; and
- (iii) the Nominal Amount (if the Interest Amount is calculated by reference to the Nominal Amount) or Reduced Nominal Amount (if the Interest Amount is calculated by reference to the Reduced Nominal Amount) or Weighted Amount (if the Interest Amount is calculated by reference to the Weighted Amount).

**"Interest Commencement Date"** means the Interest Commencement Date as specified in § 17 of the Product Data.

**"Interest Determination Date"** means, with respect to an Interest Period, [the [*Insert number*] [TARGET] [London] Banking Day prior to] the [first] [last] [TARGET] [London] Banking Day] of the respective Interest Period. **"[TARGET] [London] [*Insert city*] Banking Day"** means each day on which [TARGET2 is open for business] [commercial banks in [London] [*Insert city*] are open for business (including foreign exchange business)].]

**"Interest End Date"** means, subject to § 2(2), the Interest End Date as specified in § 17 of the Product Data.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Payment Date"** is [*Insert day and month*] in each year.]

**[[In case of interest payments on the Scheduled Maturity Date the following applies:]**

**"Interest Payment Date"** means the Interest Payment Date as specified in § 17 of the Product Data.]

**[[In case of Securities with several interest payments the following applies:]**

**"Interest Payment Date"** means each Interest Payment Date as specified in § 17 of the Product Data. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.]

**[[In case Interest Payment Dates are determined based on specified periods the following applies:]**

**"Interest Payment Date"** means the First Interest Payment Date and each date that follows [*Insert number of months*] month[s] after the First Interest Payment Date or the preceding

Interest Payment Date in each case. Interest Payment Dates are subject to postponements in accordance with the banking day convention pursuant to these Conditions.

**[[In the case of Act/Act (ICMA), the following applies:]**

**"Interest Period"** means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date.]

**[[In case Act/Act (ICMA) does not apply, the following applies:]**

**"Interest Period"** means [the] [each] period from the Interest Commencement Date (including) to [the First Interest Payment Date (excluding) and from each Interest Payment Date (including) to the respective following Interest Payment Date (excluding). The last Interest Period ends on] the Interest End Date (excluding).]

**"Interest Rate"** means the Interest Rate as specified in § 17 of the Product Data.

**[[In case of an Issuing Agent, the following applies:]** **"Issuing Agent"** means the Issuing Agent as specified in § 17 of the Product Data.]

**"Issue Date"** means the Issue Date as specified in § 17 of the Product Data.

**"Nominal Amount"** means the Nominal Amount as specified in § 17 of the Product Data.

**"Payment Date"** means the Payment Date as defined in § 4 (2).

**[[In the case of all Securities with a Reference Rate, the following applies:]**

**"Reference Banks"** means [[four] **[Insert other number]** major banks in the [Eurozone] [London] *[Insert other interbank market]* interbank market specified by the Issuer in its reasonable discretion (§ 315 BGB)] [[five] **[Insert other number]** leading swap traders in the interbank market] **[Insert other definition for Reference Banks, if applicable].]**

**[[In the case of all Securities with a EURIBOR as Reference Rate, the following applies:]**

**"[Reference Rate][EURIBOR]"** means the offered rate (expressed as a percentage per annum) for deposits in euros for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][**insert other time**] Brussels time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in Euros are offered at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on an Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in Euro to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.][;]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate.

If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Specified Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**[[In the case of all Securities with a LIBOR as Reference Rate, the following applies:]**

"[Reference Rate][LIBOR]" means the offered rate (expressed as a percentage per annum) for deposits in the Reference Rate Currency for the corresponding Reference Rate-Maturity displayed on the Screen Page at [11:00 a.m.][insert other time] [London] [Insert other Reference Rate Financial Centre] time on the relevant Interest Determination Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Issuer will in its reasonable discretion (§ 315 et seq. BGB)

[[a)] request the principal offices of each Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Financial Centre at the Reference Rate Time on the respective Interest Determination Date to prime banks in the interbank market for the respective Reference Rate-Maturity in a representative amount.

If at least two of the Reference Banks provide the Issuer with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such quotations.

If on any Interest Determination Date only one or none of the Reference Banks provides the Issuer with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), at the Reference Rate Time, on that Interest Determination Date for loans in the Reference Rate Currency to leading European banks for the respective Reference Rate-Maturity and in a representative amount[.];]

[or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,]

[[b)] determine the Reference Rate based on the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate. If the Issuer [until [●] [on the Interest Determination Date]] is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorized distributor or the Administrator of the Reference Rate, the Issuer will determine the Reference Rate in its reasonable discretion (§ 315 et seq. BGB). In doing so, it may in particular

- (i) use a rate for the Reference Rate formally recommended by the Administrator of the Reference Rate or, alternatively, by the supervisor of the Reference Rate [or the central bank for the Reference Rate Currency], or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at Reference Rate Time of the previous [five] [insert different number] [Banking Days] prior to the respective Interest Determination Date].]

**"Reference Rate<sub>[1]</sub>"** means the Reference Rate<sub>[1]</sub> as specified in § 17 of the Product Data and further described in § 2 (3) of the Special Conditions.

**["Reference Rate<sub>2</sub>"]** means the Reference Rate<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Call Event"]** means [each of] the following event[s]:

- [(a)] no suitable Replacement Reference Rate (as specified in § 4 (a) of the Special Conditions) is available;
- (b) [or an adjustment pursuant to § 4 (b) or (c) is not possible or unreasonable for the Issuer and/or the Security Holders;]

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

**["Reference Rate Cessation Event"]** is any of the following events [with respect to Reference Rate<sub>1</sub> or Reference Rate<sub>2</sub> or each of them]:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the Administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the Administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

**["Reference Rate Currency"]** means the Reference Rate Currency as specified in § 17 of the Product Data.]

**["Reference Rate Financial Centre"]** means the Reference Rate Financial Centre as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>[1]</sub>"]** means the Reference Rate-Maturity<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Reference Rate-Maturity<sub>2</sub>"]** means the Reference Rate-Maturity<sub>2</sub> as specified in § 17 of the Product Data.]

**["Reference Rate Time"]** means the Reference Rate Time as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>[1]</sub>"]** means the Registered Benchmark Administrator<sub>[1]</sub> as specified in § 17 of the Product Data.]

**["Registered Benchmark Administrator<sub>2</sub>"]** means the Registered Benchmark Administrator<sub>2</sub> as specified in § 17 of the Product Data.]]

**"Scheduled Maturity Date"** means the date specified in § 17 of the Product Data subject to the banking day convention according to these Conditions.

**[[In the case of Securities with a Reference Rate, insert the following:]]**

**"Screen Page"** means the Screen Page and, if applicable, the relevant heading as indicated in § 17 of the Product Data. If that page is replaced or if the relevant service is no longer available, the Issuer in its reasonable discretion (§ 315 BGB) shall specify another Screen Page on which the Reference Rate is displayed. This new Screen Page will be published in accordance with § 12.]

**"Specified Currency"** means the Specified Currency as specified in § 17 of the Product Data.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

**"TARGET Business Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.

**"Website of the Issuer"** means the Website of the Issuer as specified in § 17 of the Product Data.

**"Website for Notices"** means the Website for Notices as specified in § 17 of the Product Data.

- (2) *Exercise of discretion and specific Definitions (with credit-linkage).*
- (a) *Exercise of discretion.*

The definitions pursuant to paragraph (b) in connection with a Credit Event are based on the ISDA Terms. However, the definitions include a series of simplifications and deviations.

When using its reasonable discretion (*billiges Ermessen*, § 315 BGB), the Issuer will take

into account all relevant ISDA Statements or decisions of an ISDA Determination Committee. If any such ISDA Statements or decisions of an ISDA Determination Committee – as a consequence of any deviations of the definitions in paragraph (b) or for further reasons – would be detrimental to the economic substance of the Securities, any such statement or decision shall be replaced by finding a more adequate solution reflecting the commercial substance of the Securities. The Issuer will determine the economic substance of the Securities in its reasonable discretion (§ 315 BGB).

(b) ***Definitions in connection with the Reference Entity and with the credit-linkage***

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person.

**"Aggregate Reduction Amount"** means as of the relevant time pursuant to § 2(2) or § 3(2), the sum of all Weighted Amounts of all Reference Entities that have been subject to a Credit Event.

**"Bankruptcy"** means any of the following events:

- (i) the Reference Entity is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) the Reference Entity becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) the Reference Entity makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) means the Reference Entity institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition
  - (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or
  - (2) is not dismissed, discharged, stayed or restrained in each case within [30] [●] calendar days of the institution or presentation thereof;
- (v) the Reference Entity has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger);



- (vi) the Reference Entity seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) the Reference Entity has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within [30] [●] calendar days thereafter; or
- (viii) the Reference Entity causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an economic analogous effect to any of the events specified in clauses (i) to (vii).

**"Bond"** means any obligation of the type of Borrowed Money of the Reference Entity that is in the form of, or represented by, a note or a Schuldschein loan.

**"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**"Control"** means ownership of a majority of the voting power of an entity or person.

**"Controlling"** shall be construed accordingly.

**"Credit Event"** means any of the following events, provided that any definition of these events applies to each Reference Entity separately:

- (i) Bankruptcy;
- (ii) Failure to Pay;
- (iii) Restructuring ; and
- (iv) Governmental Intervention.

The following aspects or defences shall not be taken into account when determining the occurrence of a Credit Event:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation;

- (iii) the application or interpretation of any law, any decision, regulation, decree or notice, or announcement by a competent court, a competent regulatory authority, central bank, federal, regional or local authority; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Effective Date"** means [the earlier of the following:

- (i) the day immediately preceding the Credit Event Resolution Request Date (if applicable); or
- (ii) the day immediately preceding the day of the Credit Event Notice.] [the day immediately preceding the Credit Event Resolution Request Date] [the day immediately preceding the Credit Event Notice].

**"Credit Event Notice"** means an irrevocable notice from the Issuer to the Security Holder in accordance with § 12, specifying that a Credit Event has occurred as well as the date of the occurrence and which contains a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. Each Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Credit Event Redemption Amount"** means the amount calculated on the basis of the following formula:

*Credit Event Redemption Amount = Nominal Amount x Final Price [- Swap Unwind Amount].*

**"Credit Event Resolution Request Date"** means, the date, as publicly announced by ISDA on its website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website) or otherwise by ISDA to be the date

- (i) on which a notice to ISDA requesting that the ISDA Determinations Committee be convened to resolve whether a Credit Event has occurred was effective; and
- (ii) on which information regarding the Credit Event Information was in possession of the relevant ISDA Determinations Committee.

The Issuer notifies the Security Holder of the Credit Event Resolution Request Date pursuant to § 12.

**"Default Requirement"** means [USD 10,000,000] [●] or its equivalent in the relevant Obligation Currency converted in [US-Dollar] [●] as of the occurrence of the relevant Credit Event [determined by reference to the relevant reference source used in foreign exchange swaps for the relevant exchange rate] [●].

**"Failure to Pay"** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

**"Final Price"** means

- (i) if with regard to the Credit Event specified in the Credit Event Notice
  - (1) ISDA Credit Event Information have been published;
  - (2) ISDA announces the holding of an auction before the Standard Recovery Valuation Date (including); and
  - (3) ISDA thereafter holds an auction for the determination of an auction final price and publishes an auction final price respect to that Credit Event within one year following the publication of the Credit Event Notice;

the auction final price published on the website [●] [[www.isda.org/credit](http://www.isda.org/credit) under the internet link "auction results" (or any successor website or successor internet link thereto)] or otherwise published.

If in case of a Restructuring ISDA publishes several auction final prices, the lowest of these prices (*cheapest to deliver*) whereby any auction final price which refers to Subordinated obligations of the Reference Entity shall be disregarded; or

- (ii) if (i) does not apply, the price of the Valuation Obligation that the Issuer in its reasonable discretion (§ 315 BGB) will obtain by selling the Valuation Obligation on the relevant Recovery Valuation Date.

The Issuer shall notify the Security Holders of the Final Price (expressed as a percentage) and, if applicable pursuant to these Conditions, of the Valuation Obligation used to determine the Final Price not later than on the 5th Banking Day following the publication by ISDA and in case of (ii) no later than on the 5th Banking Day following the Recovery Valuation Date.

**"Final Determination Date"** means the Final Determination Date as specified in § 17 of the Product Data.

**"Governmental Authority"** means any (i) de facto or de jure government (or any agency, instrumentality, ministry or department thereof), (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its Obligations; or (iv) any other authority which is analogous to any of the entities specified in (i) to (iii).

**"Governmental Intervention"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

- (i) any event which would affect creditors' rights so as to cause:
- (w) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (x) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (y) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
- (z) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (iii) a mandatory cancellation, conversion or exchange; or
- (iv) any event which has an analogous effect to any of the events (1) to (3).

In the case of a Qualifying Guarantee and a Underlying Obligation, references in the definition of Governmental Intervention to the Reference Entity are in principle to be construed as references to the Underlying Obligation.

**"Grace Period"** means

- (i) subject to (ii), the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Banking Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Banking Days shall be deemed to apply to such Obligation,

provided that such deemed Grace Period shall expire no later than the relevant Interest Payment Date or the Final Determination Date.]

**"Grace Period Banking Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is Euro, a TARGET Banking Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor organisation). ISDA is a private trade organisation which represents its members - large institutions world-wide which trade with derivative financial products linked to specific underlyings, as well as numerous private and state-owned companies - in the derivatives market, and develops and publishes the ISDA Terms.

**"ISDA Credit Event Information"** means a resolution by ISDA stating the occurrence of a Credit Event and published on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto).

**"ISDA Determination Committee"** means a determination committee established by ISDA and comprised of dealers in and buyers of credit-linked financial instruments.

**"ISDA Statements"** means any statements and protocols agreed between ISDA and market participants.

**"ISDA Terms"** means the 2014 ISDA Credit Derivatives Definitions in their respectively most current version which are prepared in the English language.

**["Loan"** means any obligation of the Reference Entity of the type of Borrowed Money in the form of a loan.]

**"Obligation"** means any obligation of the Reference Entity (either directly or as provider of a Qualifying Guarantee) in the form of [Borrowed Money] [Bonds or Loans] [Bonds], provided that Subordinated obligations shall not be taken into account for the purposes of determining the occurrence of a Restructuring or Governmental Intervention.

**"Obligation Currency"** means the currency or currencies in which an Obligation is denominated.

**"Observation Period"** means the period from, and including, the Issue Date to, and including, the Final Determination Date.

**"Payment Requirement"** means an amount of USD 1,000,000 (or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the Failure to Pay.

**"Publicly Available Credit Event Information"** means information confirming the facts relevant for the determination that the Credit Event described in a Credit Event Notice has occurred and which

- (i) has been published in ISDA Credit Event Information or if no ISDA Credit Event Information were published prior to the publication of the Credit Event Notice,
- (ii) has been published in at least two Public Sources.

**"Publicly Available Successor Information"** means information that reasonably confirms any of the facts relevant for the determination of the Successor described in a Successor Notice by the Issuer and which

- (i) has been published by ISDA on the website <http://dc.isda.org/credit-default-swaps-management/> (or any successor website thereto) or, as long as no publication was made by ISDA, otherwise published and
- (ii) are available without violating any law or agreement regarding the confidentiality of such information.

**"Public Source"** means each of the following sources (irrespective of whether the source of information is subject to a charge or not): Börsen-Zeitung, Bundesanzeiger, Handelsblatt, Frankfurter Allgemeine Zeitung, [www.insolvenzbekanntmachungen.de](http://www.insolvenzbekanntmachungen.de), Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review und Debtwire (and successor publications), ISDA's website <http://dc.isda.org/> (or any successor website thereto), the website of the Reference Entity or the competent supervisory authority for the Reference Entity, the main source(s) of business news in the country in which the Reference Entity is organized and any other internationally recognized published or electronically displayed news sources.

**"Qualifying Guarantee"** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due under an Underlying Obligation, by guarantee of payment and not by guarantee of collection (or, in either case,

any legal arrangement which is equivalent thereto in form under the relevant governing law).

Qualifying Guarantees shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than
  - (1) by payment;
  - (2) by way of transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee;
  - (3) by operation of law; or
  - (4) due to the existence of a fixed cap;
  - (5) due to provisions permitting or anticipating a Governmental Intervention.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (y) if a guarantee contains a fixed cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**"Recovery Valuation Date"** means,

- (i) subject to the provisions below, a day not later than the [10th] Banking Day after the Credit Event Notice (the **"Standard Recovery Valuation Date"**), or
- (ii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice, a day not later than the [10th] Banking Day after the first date of the announcement that no auction will be held, or
- (iii) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published, but ISDA announces on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise that no Auction will be held for the purposes of the Credit Event specified in the relevant Credit Event Notice following a prior public announcement to the contrary, a day not later than the [10th] Banking Day after the first date of the announcement that an auction will be cancelled, or
- (iv) if until, and including, the Standard Recovery Valuation Date ISDA Credit Event Information have been published but ISDA, within one year after the publication of the Credit Event Notice on the website [●] [<http://dc.isda.org/credit-default-swaps-management/>] (or any successor website thereto)] or otherwise, does not publish an auction final price with regard to the relevant Credit Event, no later than the [1st] Banking Day after the anniversary of the publication of the Credit Event Notice, at the latest.

**"Reduced Nominal Amount"** means the amount to be calculated according to the following formula:

$$\text{Reduced Nominal Amount} = \text{Nominal Amount} - \text{Aggregate Reduction Amount}$$

**"Reference Entity"** means the Reference Entity as specified in § 17 of the Product Data or its Successor(s), as applicable.

**"Reference Obligation"** means the Reference Obligation of the relevant Reference Entity, as specified in § 17 of the Product Data, or if a relevant Standard Reference Obligation was published, this Standard Reference Obligation.

**"Relevant Obligations"** means the Obligations constituting non-Subordinated Bonds or Loans of the Reference Entity and which are outstanding immediately prior to the effective date of the Succession (or, if there is a Steps Plan, immediately prior to the legally effective date of the first Succession), provided that:



- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Issuer shall, for purposes of the determination of a Successor make the appropriate adjustments required to take account of any Obligations of the Reference Entity which are Bonds or Loans that are issued, incurred, redeemed, repurchased or cancelled from, and including the legally effective date of the first Succession to, and including, the Succession Date.

The Issuer shall determine the Relevant Obligation in its reasonable discretion (§ 315 BGB) and give notice to the Security Holders pursuant to § 12.

**["Restructuring"** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either
  - (1) the payment or accrual of interest; or
  - (2) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

If an exchange has occurred, the determination as to whether one of the events described under (i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

The occurrence of, agreement to or announcement of any of the events described in (i) to (v) above shall not constitute a Restructuring:

(x) if the event occurs due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; or

(y) where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of (v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from Euros into another currency and occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority;

(z) in case of the redenomination from Euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a member state of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

Notwithstanding the provisions above, the payment in Euros of interest, principal or premium in relation to an Obligation denominated in a currency of a member state of the European Union that adopts or has adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union shall **not** constitute a Restructuring;

In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in (y) shall continue to refer to the Reference Entity.]

**"Senior"** means in respect of the status of a Reference Obligation and any other obligation of the relevant Reference Entity that (i) such Reference Obligation or obligation constitutes pursuant to its terms an unsecured and unsubordinated obligation and (ii) it is not a protected deposit.

**"Senior non-preferred"** means in respect of the status of a Reference Obligation and any other obligation of the relevant Reference Entity that such Reference Obligation or obligation ranks pursuant to its terms or by operation of law in case of a bankruptcy after protected deposits and unsecured unsubordinated obligations of such Reference Entity.

**"Settlement Date"** means,

- (i) for the purposes of a determination of the Final Price according to clause (i) of the definition Final Price: a day not later than the 5th Banking Day after the publication of the auction final price by ISDA pursuant to clause (i) of the definition "Final Price"; or
- (ii) for the purposes of a determination of the Final Price according to clause (ii) of the definition Final Price: a day not later than the 5th Banking Day after the Recovery Valuation Date.

**"Standard Reference Obligation"** means an obligation of the Reference Entity which was published as standard reference obligation on the website [●] [<http://ihsmarkit.com/prducts/red-cds.html> (or a page which replaces it)] (or any website of a third person which was referred to on the website) until immediately prior to the occurrence of the Credit Event.

**"Steps Plan"** means a plan evidenced by Publicly Available Successor Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities in consequence of which one or more than one different legal person or entity assumes or becomes liable for such Relevant Obligations.

**"Subordinated"** means (i) any tier 2 obligation of the relevant Reference Entity, (ii) any obligation of the relevant Reference Entity which ranks or is expressed to rank pari passu with any tier 2 obligation of such Reference Entity, and (iii) any obligation of the relevant Reference Entity which is subordinated to the obligations described in (i) and (ii) above; furthermore, in case of a Senior Reference Obligation, any Senior non-preferred obligation of the relevant Reference Entity.

**"Succeed"** means, with respect to the Reference Entity and its Relevant Obligations, that a legal person or a party other than the Reference Entity

- (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement or
- (ii) issues Bonds or incurs Loans that are exchanged for Relevant Obligations (or, as applicable, Obligations),

and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Qualifying Guarantee with respect to such Relevant Obligations or exchange Bonds or Loans.

**"Succession"** means the process of the succession of Relevant Obligations and shall be interpreted in accordance with the definition of "Succeed".

**"Succession Date"** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final Succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the Conditions would not be affected by any further related Succession in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.

**"Successor"** means as of the Succession Date the entity or entities determined by the Issuer according to the following criteria and specified in the Successor Notice, provided that in the case of an exchange offer for Bonds, the determination required pursuant to the definition shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and if there is a Steps Plan, the Issuer shall consider the total amount of all related Successions in respect of such Steps Plan:

- (i) if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each entity that succeeds to more than twenty-five per cent of the Relevant Obligations will each be a Successor;
- (iv) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each of those entities and the Reference Entity will each be a Successor;
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such Succession;

- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, the entity Succeeding to the biggest portion of Obligations of the Reference Entity will be the Successor);
- (vii) if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity will be the sole Successor.

In respect of a Reference Entity in relation to which the Issuer has published a Credit Event Notice prior to the occurrence of a Succession no Successor will be determined. However, a Reference Entity in relation to which the Issuer has published a Credit Event Notice may become Successor of another Reference Entity in relation to which the Issuer did not publish a Credit Event Notice. In this case, a new Credit Event may occur with respect to the Successor.]

**"Successor Notice"** means an irrevocable notice from the Issuer to the Security Holder pursuant to § 12 in a timely manner after the Issuer becomes aware of the Publicly Available Successor Information that describes

- (i) the existence of a Successor or several Successors;
- (ii) the occurrence of a Succession Date within the period beginning on, and including, the Issue Date and ending on, and including, the Final Determination Date;
- (iii) the Weighting of the Successor or Successors;
- (iv) the facts relevant for the determination that a Succession has occurred; and
- (v) the Publicly Available Successor Information.

**["Swap Unwind Amount"** means the amount resulting from unwinding swaps or hedging transactions entered into by the Issuer in connection with the Securities, in particular currency hedging transactions, inflation hedging transactions, interest rate swaps or asset swaps, including transaction costs and any prepayment indemnity incurred in connection with such early redemption.]

**"Transaction Type"** means in relation to the relevant Reference Entity the Transaction Type as specified in the table in § 17 of the Product Data under the definition "Reference Entity" in the column "Transaction Type".<sup>15</sup>

**"Underlying Obligation"** means any Obligation of the Underlying Obligor from [Borrowed Money] [Bonds or Loans] [Bonds] for which the Reference Entity is acting as provider of a Qualifying Guarantee.

**"Underlying Obligor"** means any individual or entity other than the Reference Entity who has entered into an Underlying Obligation

**"Valuation Obligation"** means

- (i) at the choice of the Issuer a [Bond] [or] [Loan] of the Reference Entity in respect of which a Credit Event Notice has been given that on the Recovery Valuation Date meets the following criteria:
  - (1) an Obligation payable in, the lawful currency of [Canada, Japan, Switzerland, the United Kingdom and the United States of America and the Euro] [●] or any successor currency to any of the aforementioned currencies;
  - [(2) an Obligation, that constitutes a transferable obligation;]
  - [(3) an Obligation, that constitutes a transferable Loan or a consent required Loan;]
  - [(4) an Obligation, that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system;]
  - [(5)] [an Obligation, whose remaining term does not exceed 30 years as of the Recovery Valuation Date;]
  - [(6)] an Obligation which with respect to the Reference Obligation is not subordinated; [as well as]]
  - [(7)] [in case of a Restructuring or a Governmental Intervention (even if the Credit Event Notice designates another previously occurring Credit Event) an Obligation that did not arise on or after the date of the Restructuring or the Governmental Intervention[; as well as]]
  - [(●) [insert applicable additional criteria.]]

If more than one or more Obligations meet the aforementioned criteria as of that time, the Obligation having the lowest price will be the relevant Obligation; or

- (ii) at the choice of the Issuer, in the event of a Governmental Intervention, even if the Credit Event Notice designates another previously occurring Credit Event;

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<sup>15</sup> A specific Transaction Type will be assigned to each Reference Entity based on its region of origin. E.g.: European financial institution or Australian financial institution.

- (1) any obligation of the Reference Entity which (x) existed immediately prior to such Governmental Intervention, (y) was the subject of such Governmental Intervention and (z) fall within the criteria set out in paragraph (i) in each case immediately preceding the date on which the Governmental Intervention was legally effective; or
- (2) such equity, amounts of cash, securities, fees (including any "early bird" or other consent fee) rights and/or other assets (each an "**Asset Package**") in the proportion received or obtained by a relevant creditor by way of exchange as conversion of an Obligation pursuant to Section (ii)(1) (which may include said Obligation). If the relevant holder is offered a choice of assets or a choice of combinations of assets, the largest Asset Package with respect to the amount of principal or, if the respective asset is not expressed as an amount of principal, the largest Asset Package with respect to its value, shall be selected. If nothing is offered to the relevant creditor and the relevant creditor received nothing, the value of the Asset Package shall be zero.; or
- (iii) at the choice of the Issuer, in the event of the occurrence of a Restructuring, which is not also a Governmental Intervention (even if the Credit Event Notice designates another previously occurring Credit Event),
  - (1) an Obligation published as so-called Package Observable Bond on the website [●] [<http://www.isda.org/credit> (or a page which replaces it)] (or any successor website thereto) immediately prior to the occurrence of the Credit Event, or
  - (2) any Asset Package with regard to the Obligation pursuant to paragraph (ii) (2),

The Issuer will notify the Security Holder of the Valuation Obligation until, and including, the Recovery Valuation Date pursuant to § 12.

**"Weighting"** means, in respect of the relevant Reference Entity, the Weighting specified in the table und the definition "Reference Entity" in the column "Weighting", or, in case of the existence of a Successor, the portion of such Successor specified in the Successor Notice; such portion shall (i), in case of one Successor, equal the Weighting of the replaced Reference Entity and (ii), in case of several Successors, equal the Weighting of the replaced Reference Entity divided by the number of Successors.

**"Weighted Amount"** means with respect to the relevant Reference Entity the product of the Nominal Amount and the Weighting of the Reference Entity.

## **§ 8 Principal Paying Agent, Paying Agent**

- (1) *Paying Agents.*

The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [*Insert name and address of other paying agent*]. The Issuer may appoint addi-

tional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 12.

(2) ***Transfer of functions.***

Should any event occur which results in the Principal Paying Agent being unable to continue in its function as Principal Paying Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent. Any such transfer of the functions of the Principal Paying Agent shall be notified by the Issuer without undue delay pursuant to § 12.

(3) ***Agents of the Issuer.***

In connection with the Securities, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders.

**§ 9 Taxes**

**No Gross Up:** Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes to the extent that such deduction or withholding is required by law. In this context, "**Taxes**" means any levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes. In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

**§ 10 Status**

The Obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

**§ 11 Substitution of the Issuer**

(1) ***Requirements for a Substitution.***

The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that



- (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
- (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
- (d) the Issuer guarantees proper payment of the amounts due under these Conditions.

For purposes of this § 11 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

(2) **Notices.**

Any such substitution shall be notified in accordance with § 12.

(3) **References.**

In the event of any such substitution, any reference in these Conditions to the Issuer shall be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

**§ 12 Notices**

- (1) To the extent these Conditions provide for a notice pursuant to this § 12, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [seventh] [●] day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.

**§ 13 Issuance for additional Securities, Repurchase**

(1) *Issuance of additional Securities.*

The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "**Securities**" shall, in the event of such increase, also comprise all additionally issued Securities.

(2) *Repurchase.*

The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

**§ 14 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

**§ 15 Partial Invalidity, Corrections**

(1) *Invalidity.*

Should any provision of these Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Conditions is to be filled with a provision that corresponds to the meaning and intent of these Conditions and is in the interest of the parties.

(2) *Typing and calculation errors.*

Obvious typing and calculation errors or similar obvious errors in these Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will

transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.

(3) ***Offer to continue.***

The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 12. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 12 demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

(4) ***Acquisition Price.***

As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one.

(5) ***Incomplete or inconsistent provisions.***

The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Conditions in its reasonable discretion (§ 315 BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 12.

(6) ***Adherence to corrected Conditions.***

If the Security Holder was aware of typing or calculation errors or similar errors in these Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

**§ 16 Applicable Law, Place of Performance, Place of Jurisdiction**

(1) ***Applicable Law.***

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

(2) ***Place of Performance.***

Place of performance is Munich.

(3) ***Place of Jurisdiction.***

To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Conditions shall be brought before the court in Munich.

**§ 17 Product Data**

**[[Insert following Product Data in alphabetical or other order and/or in the form of a table:]]**

The Product Data described in the provisions above is the following:

**[Banking Day Financial Centre: [Insert]]**

**[Discount: [Insert]]**

**[Distribution Fee: [Insert]]**

**[Expiry Date (*Data di Scadenza*): [Insert]]**

**[Factor<sub>[1]</sub>: [Insert]]**

**[Factor<sub>2</sub>: [Insert]]**

**[Final Determination Date: [Insert]]**

**[First Interest Payment Date: [Insert]]**

**[Fixed] Interest Rate:**

<b>Interest Payment Date</b>	<b>Interest Rate</b>
<b>[[•] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]</b>	<b>[[•%]</b>
<b>]</b>	

**[Floating Interest Rate: [Insert]]**

**[Interest Commencement Date: [Insert]]**

**[Interest Payment Date[s]: [Insert]]**

**[Interest End Date: [Insert]]**

**[Interest Rate:**

Interest Payment Date	Interest Rate
[[●] each [insert each Interest Payment Date], commencing on [insert date] and ending on [insert date]]]	[●%]

]

ISIN: [Insert]

Issue Date: [Insert]

Issue Volume: [Insert]

[Issuing Agent: [Insert name and address of the Issuing Agent]]

[Maximum Interest Rate: [Insert]]

[Minimum Interest Rate: [Insert]]

Nominal Amount: [Insert][not applicable]

[Premium: [Insert]]

Reference Entity:

"Reference Entity"	"Transaction Type" in relation to the relevant Reference Entity	"Weighting" of the Reference Entity in per cent.
[insert name, ISIN (if any), address, country of incorporation, industry and market in which its securities are admitted]  [insert name and ISIN (if any)] <sup>16</sup>	● [financial institution][financial institution with its statutory seat in [●]] <sup>17</sup>	● <sup>18</sup>

Reference Obligation:

<sup>16</sup> this option can be used multiple times.

<sup>17</sup> this option can be used multiple times.

<sup>18</sup> this option can be used multiple times.

<b>"Reference Entity"</b>	<b>"Reference Obligation" in relation to the relevant Reference Entity</b>
<b>[●]<sup>19</sup></b>	<b>Principal debtor: [Insert]</b> <b>[Guarantor: [Insert]]</b> <b>ISIN: [Insert]</b> <b>[Status: on the Issue Date [Senior non-preferred][Senior]]</b> <b>[●]<sup>20</sup></b>

**[Reference Rate<sub>1</sub>: [●]-[month][year] [EURIBOR] [[●] LIBOR]]**

**[Reference Rate<sub>2</sub>: [●]-[month][year] [EURIBOR] [[●] LIBOR]]**

**[Reference Rate Currency: [Insert]]**

**[Reference Rate Financial Centre: [Insert]]**

**[Reference Rate-Maturity<sub>1</sub>: [Insert]]**

**[Reference Rate-Maturity<sub>2</sub>: [Insert]]**

**[Reference Rate Time: [Insert]]**

**[Registered Benchmark Administrator<sub>1</sub>: [Insert]]**

**[Registered Benchmark Administrator<sub>2</sub>: [Insert]]**

**Scheduled Maturity Date: [Insert]**

**[Screen Page: [Insert]]**

**Series Number: [Insert]**

**Specified Currency: [Insert]**

**Tranche Number: [Insert]**

**[Transaction Type: [Insert]]**

**Website of the Issuer: [Insert]**

**Website for Notices: [Insert]**

**WKN: [Insert]**

<sup>19</sup> this option can be used multiple times.

<sup>20</sup> this option can be used multiple times.

## **8. DESCRIPTION OF THE ISSUER**

### **8.1 General description**

The following information regarding the Issuer is hereby incorporated by reference into this Base Prospectus:

- (i) The description of the Issuer included in the Registration Document of UniCredit Bank AG dated 20 May 2020, except for the information set out under the heading "2. Ratings" on page 11 of the Registration Document,
- (ii) the audited consolidated financial statements, comprising the consolidated income statement, the consolidated balance sheet, the statement of changes in consolidated shareholders' equity, the consolidated cash flow statement, the notes to the consolidated financial statements, the declaration by the management board and the independent auditors' report of HVB Group as of 31 December 2018, contained in the Annual Report HVB Group 2018,
- (iii) the audited consolidated financial statements, comprising the consolidated income statement, the consolidated balance sheet, statement of changes in consolidated shareholders' equity, the the consolidated cash flow statement and the notes to the consolidated financial statements, the declaration by the management board and the auditors' report as of 31 December 2019 contained in the Annual Report HVB Group 2019,
- (iv) the audited unconsolidated financial statements, comprising the income statement of UniCredit Bank AG, the balance sheet of UniCredit Bank AG and the notes to the unconsolidated financial statements, and the declaration by the management board and the auditors' report as of 31 December 2019, contained in the Annual Report UniCredit Bank AG (HVB) 2019, and
- (v) the unaudited Consolidated Results of HVB Group as of 30 June 2020, comprising the unaudited results of HVB Group as of 30 June 2020. The Consolidated Results of HVB Group as of 30 June 2020 have not been reviewed or audited and therefore no audit or review report has been issued thereon.

A list setting out the information incorporated by reference is provided in Section "11.3 *Information incorporated by reference into this Base Prospectus*" on pages 393 et seq.

### **8.2 Information on the Issuer's share capital**

The share capital of the Issuer amounts to EUR 2,407,151,016.00 and is divided into ordinary bearer shares, broken down into 802,383,672 individual share certificates. The shares of the Issuer are fully paid-up and UniCredit S.p.A. holds directly 100 per cent. of the Issuer's share capital.

### **8.3 Information about the Issuer**

The date of incorporation of UniCredit Bank AG was 8 May 1869 as Bayerische Vereinsbank AG.

#### 8.4 Significant changes in the Issuer's financial position

There has been (i) no significant change in the financial position of HVB Group which has occurred since 30 June 2020, and (ii) no material adverse change in the prospects of the HVB Group since 31 December 2019, the date of its last published audited financial statements.

#### 8.5 Conflict of interest

As of the date of this Base Prospectus, there are no potential conflicts of interest between the duties to HVB members of the Management Board and members of the Supervisory Board of HVB and their private interests and/or other duties.

#### 8.6 Issuer Rating

UniCredit Bank AG has been rated (status as of November 2020) as follows by Fitch Ratings ("Fitch"), Moody's Investors Service ("Moody's") and Standard and Poor's Global Ratings ("S&P"):

	Long-term	Short-term	Outlook
<b>Fitch</b>	BBB <sup>1</sup>	F2 <sup>2</sup>	Negative
<b>Moody's</b>	A2 <sup>3</sup>	-	Negative
<b>S&amp;P</b>	BBB+ <sup>4</sup>	A-2 <sup>4</sup>	Negative

<sup>1</sup> Term used by Fitch: "Long-term Issuer Default-Rating (IDR)".

<sup>2</sup> Term used by Fitch: "Short-term Issuer Default-Rating (IDR)".

<sup>3</sup> Term used by Moody's: "Issuer Rating".

<sup>4</sup> Term used by S&P: "Issuer Credit Rating".

Fitch, Moody's and S&P are established in the European Economic Area or have relevant subsidiaries which are established in the European Economic Area and have been registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <https://www.esma.europa.eu/supervision/credit-ratingagencies/risk>.

The following section gives a detailed overview over the definitions used by each rating agency.

#### Fitch

##### *Definitions for long term ratings*

BBB	'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modi-
-----	--



## 8. Description of the Issuer

	fiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.
--	--

### *Definitions for short term ratings*

F2	Good intrinsic capacity for timely payment of financial commitments.
----	--

### *Outlook*

Negative	A negative outlook means that the rating might be lowered.
----------	--

## **Moody's**

### *Definitions for long term ratings*

A	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk. 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.
---	--

### *Definitions for short term ratings*

P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations
-----	---

### *Outlook*

Negative	A negative outlook means that the rating might be lowered.
----------	--

## **S&P**

### *Definitions for long term ratings*

BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories
-----	---

### *Definitions for short term ratings*

A-2	A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial com-
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## 8. Description of the Issuer

	mitments on the obligation is satisfactory.
--	---

### *Outlook*

Negative	A negative outlook means that the rating might be lowered.
----------	--

**9. FORM OF FINAL TERMS**

**FINAL TERMS**

dated [●]

**UniCredit Bank AG**

[Legal Entity Identifier (LEI): 2ZCNRR8UK83OBTEK2170]

[Issue] [Public Offer] [Admission to trading] of Credit Linked Notes

(the "Notes")

relating to

[the Reference Entity [●]] [insert name]

under the

**Base Prospectus**

for the Issue of Credit Linked Notes

**under the Euro 7,000,000,000 Credit Linked Notes Programme**

**of UniCredit Bank AG**

**dated 3 December 2020**

*These final terms (the "**Final Terms**") have been prepared for the purposes of Article 8 para. 4 of the Regulation (EU) 2017/1129, in the version valid at the date of the Base Prospectus, (the "**Prospectus Regulation**" and "**PR**"). In order to get the full information the Final Terms are to be read together with the information contained in the base prospectus of UniCredit Bank AG (the "**Issuer**") for the issuance of Credit Linked Notes dated 3 December 2020 (the "**Base Prospectus**") [and the supplement[s] to the Base Prospectus dated [●] pursuant to Article 23 of the PR (the "**Supplement[s]**")].*

*The Base Prospectus, any Supplements and these Final Terms are available [at UniCredit Bank AG, Arabellastraße 12, 81295 Munich, Germany] [and] on [www.onemarkets.de/basisprospekte] [●] (for investors in Germany and Luxembourg), [www.onemarkets.pl] [●] (for investors in Poland) and on [www.onemarkets.hr] [●] (for investors in Croatia). The Issuer may replace these*

*website(s) by any successor website(s) which will be published by notice in accordance with § 12 of the General Conditions.*

*In addition, the Base Prospectus, any Supplements and the respective Final Terms will be automatically published on the website of the Luxembourg Stock Exchange (www.bourse.lu).*

***[The validity of the above mentioned Base Prospectus dated 3 December 2020, under which the Notes described in these Final Terms are issued, ends on 3 December 2021. From this point in time, these Final Terms are to be read together with the latest base prospectus of UniCredit Bank AG for the issuance of Credit Linked Notes (including the information incorporated by reference in the latest base prospectus from the base prospectus, under which these notes have initially been issued) which follows the Base Prospectus dated 3 December 2020. The latest base prospectus of UniCredit Bank AG for the issuance of Credit Linked Notes will be published on [www.onemarkets.de/basisprospekte](http://www.onemarkets.de/basisprospekte) [and on [●].]<sup>21</sup>]***

**Terms expressed in capital letters and not defined otherwise in these Final Terms shall have the meaning given to them in the applicable Conditions.**

*[An issue specific summary is annexed to these Final Terms.]*

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<sup>21</sup> Not applicable in case of Notes with a minimum denomination of 100,000 Euro which are not publicly offered.

## 1. INFORMATION ABOUT THE SECURITIES

### Product Type:

These Final Terms have been prepared in relation to [the issue] [the public offer] of credit linked notes.

For a detailed description of the Securities refer to Section "6. Description of the Securities" of the Base Prospectus under the heading ["Product Type 1: Features of Securities which refer to a single company as the Reference Entity"] ["Product Type 2: Features of Securities which refer to a single country as the Reference Entity "] ["Product Type 3: Features of Securities which refer to a single financial institution as the Reference Entity"] ["Product Type 4: Features of Securities which refer to multiple companies as the Reference Entities"] ["Product Type 5: Features of Securities which refer to multiple countries as the Reference Entities"] ["Product Type 6: Features of Securities which refer to multiple financial institutions as the Reference Entities"].

### Information about the Reference [Entity] [Entities]:

[The Reference Entity is specified in the Conditions of the Securities.]

[The Reference Entities are specified in the Conditions of the Securities.]

*[Insert information / source where information on the Reference Entity can be obtained, including whether or not it can be obtained free of charge]*

## 2. CONDITIONS AND REQUIREMENTS FOR THE OFFERING OF THE SECURITIES

### Terms and conditions of the offer:

[Day of the first public offer: *[Insert the day of the first public offer].*]

[The Securities are [initially] offered during a Subscription Period[, and continuously offered thereafter]. Subscription Period: *[Insert start date of the subscription period]* to *[Insert end date of the subscription period].*]

[A public offer will be made in [Croatia][,] [and] [Luxembourg] [,] [and] [Poland].]

[The smallest transferable amount is *[Insert].*]

[The smallest tradable amount is *[Insert].*]

[As of the day of the first public offer the Securities described in the Final Terms will be offered on a continuous basis up to its maximum issue size. [The number of offered Securities may be reduced or increased by the Issuer at any time and does not allow any conclusion on the size of actually issued Securities and therefore on the liquidity of a potential secondary market.]]

[The continuous offer will be made on current ask prices provided by the Issuer.]

[The public offer may be terminated by the Issuer at any time without giving any reason.]

[No public offer occurs.]

[Manner and date in which results of the offer are to be made public: [Not applicable]]*[Insert details].*]

### Potential investors, investor categories:

The Securities will be offered to [private investors][,] [and/or] [qualified investors][,] [and/or] [institutional investors] [by way of [a private placement][a public offering]] [by financial intermediaries].

[The offer will be made simultaneously in the markets of *[Insert number]* countries and *[Insert tranche]* [has been] [is being] reserved for *[Insert relevant market(s)].*]

### Issue Date:

*[Insert issue date]*

[The issue date for each Securities is specified in § 17 Product Data.]

### Issue Volume:

*[Insert maximum issue volume]*

**Issue Price:**

*[Insert issue price]*

[The issue price per Securities will be determined by the issuer on *[Insert]*. The issue price and the on-going offer price of the Securities will be published [on the websites of the stock exchanges where the Securities will be traded] [on *[Insert website]* [www.bourse.lu]] after its specification. The Issuer may replace these website(s) by any successor website(s) which will be published by notice in accordance with § 12 of the Conditions.]

**Selling Commission:**

[Not applicable, no selling commissions will be paid] [An upfront fee in the amount of *[Insert]* is included in the Issue Price.] *[Insert details]*

**Other Commissions / cost and expenses:**

[Not applicable] *[Insert details regarding other commissions, costs and expenses (for example costs of third parties).]* [The expenses contained in the issue price amount to [approx.] *[Insert details]*.] [The inducements contained in the issue price amount [up] to: *[Insert details]*.]

**[[Minimum Amount] [or, as applicable,] [Maximum Amount] for the purchase of the Securities**

[The Securities must be purchased in an amount of at least [•]] [The Securities may be purchased in an amount of up to [•]] [The Securities must be purchased in an amount of at least [•], but up to an amount of [•]]

**Payment and Delivery of the Securities:**

*[If the Securities will be delivered against payment, the following applies:* Delivery against payment.]

*[If the Securities will be delivered free of payment, the following applies:* Delivery free of payment.]

*[Insert other method of payment and delivery]*

**Name of and address of intermediaries in secondary trading:**

*[In the case of Securities that are listed with [Insert relevant market(s)]:* The *[Insert name of the Market Maker]* (also the "**Market Maker**") undertakes to provide liquidity through bid and ask quotes in accordance with the market making rules of *[Insert relevant market(s)]*, where the Securities are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organized and managed by *[Insert relevant market(s)]*, and the relevant instructions to such rules. [Moreover, the Market Maker undertakes to apply, in normal market conditions, a spread between bid and ask quotes not higher than [•] %.]

[Not applicable. The issuer has not appointed a Market Maker for the Securities for the purposes of providing liquidity in the Securities.]

**Estimated net amount of the proceeds:**

The estimated net amount of the proceeds are *[insert].*

*[Insert in case of Securities with a denomination of less than EUR 100,000 or if otherwise applicable: Estimated total expenses [and net amount] related to the admission to trading:*

The estimated total expenses are *[insert]* [and the estimated net amount of the proceeds are *[insert].*.]

**Additional information:**

*[Insert additional information / source where information about the past and the future performance and volatility of the Reference Rate can be obtained]*



### 3. ADMISSION OF THE SECURITIES FOR TRADING

*[If an application of admission to trading of the Securities has been or will be made, the following applies:]*

Application [has been][will be] made [to the] [Luxembourg Stock Exchange] *[Insert relevant regulated market(s)]* for the Securities to be listed on the [official list of the Luxembourg Stock Exchange (the "**Official List**") *[Insert relevant regulated market(s)]* [within *[Insert period of time]* from the Issue Date] [with effect from *[Insert expected date]*].

Application [has been][will be] made [to the] [Luxembourg Stock Exchange] *[Insert relevant regulated market(s)]* for the Securities to be admitted to trading on the [Luxembourg Stock Exchange's regulated market] *[Insert relevant regulated market(s)]* [within *[Insert period of time]* from the Issue Date] [with effect from *[Insert expected date]*].]

*[If the Securities admitted to trading provide for a denomination of at least EUR 100,000 (or an equivalent in any other currency, insert the following: The total expenses related to the admission to trading are: *[Insert details]*.]*

*[If the Securities are already admitted to trading, the following applies:]*

The Securities are already admitted to trading on the following regulated or other third country markets: *[Insert relevant regulated market(s)]*

*[If securities of the same class of the Securities admitted to trading are already admitted to trading on a regulated market, the following applies:]*

To the knowledge of the Issuer, securities of the same class of the Securities to be offered or admitted to trading are already admitted to trading on the following markets: *[Insert relevant regulated market(s)]*.]

[Not applicable. No application for the Securities to be admitted to trading on a regulated or equivalent market has been made and no such application is intended.]

[Application to listing [will be] [has been] made as of *[Insert expected date]* on the following markets: *[Insert relevant market(s)]*.]

[The Securities are already traded on the following markets: *[Insert relevant market(s)]*.]

#### 4. CONSENT TO THE USE OF THE BASE PROSPECTUS:

*[In the case of a general consent, the following applies:]*

The Issuer consents to the use of the Base Prospectus by all financial intermediaries (so-called general consent).

Such consent to use the Base Prospectus is given [for the following offer period of the Securities: *[Insert offer period for which the consent is given]*] [during the period of the validity of the Base Prospectus]. General consent for the subsequent resale or final placement of Securities by the financial intermediaries is given in relation to [Croatia][,] [and] [Luxembourg] [,] [and] [Poland].]

*[In the case of an individual consent the following applies:]*

The Issuer consents to the use of the Base Prospectus by the following financial intermediaries (so-called individual consent):

*[Insert name(s) and address(es)].*

Such consent to use the Base Prospectus is given for the following period: *[Insert period]*.

Individual consent for the subsequent resale or final placement of the Securities by the financial intermediar[y][ies] is given in relation to [Croatia][,] [and] [Luxembourg] [,] [and] [Poland] ] *[Insert details].]*

[The Issuer's consent to the use of the Base Prospectus is subject to the condition that each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer.]

[Moreover, the Issuer's consent to the use of the Base Prospectus is subject to the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Securities. This commitment is made by the publication of the financial intermediary on its website stating that the prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.]

*[In the case of no consent, the following applies:]*

Not applicable. No consent is given.]

## **5. TERMS AND CONDITIONS OF THE SECURITIES**

The Securities are initially [issued] [offered] [admitted to trading] under the Base Prospectus. Thus, the Conditions of the Securities set out in Section "7. Terms and Conditions", as completed by selecting the relevant options and will all information specified in placeholders are repeated hereinafter:

*[Insert Conditions of Product Type 1 will all space holders filled out.]*

*[Insert Conditions of Product Type 2 will all space holders filled out.]*

*[Insert Conditions of Product Type 3 will all space holders filled out.]*

*[Insert Conditions of Product Type 4 will all space holders filled out.]*

*[Insert Conditions of Product Type 5 will all space holders filled out.]*

*[Insert Conditions of Product Type 6 will all space holders filled out.]*

**Annex to the Final Terms (Summary)**

*[Insert summary]*

**10. TAX WARNING**

The issuer assumes no responsibility for deducting any withholding taxes. The taxation of income from the Securities is subject to the tax laws in the Federal Republic of Germany, where the Issuer has its registered seat. In addition, the taxation of the Securities may be subject to the tax laws of Croatia, Grand Duchy of Luxembourg and Poland to the extent investors in the Securities are subject to such laws.

**The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.**

## 11. GENERAL

### 11.1 Selling Restrictions

#### 11.1.1 General

No action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Securities, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required other than the approval of the Base Prospectus by the CSSF and a notification to the countries set forth in the Final Terms under "Terms and conditions of the offer".

Securities under this Base Prospectus may only be offered to private clients in Germany based on the standards for the issue of credit linked notes to private clients ("*Grundsätze für die Emission von "bonitätsabhängigen Schuldverschreibungen" zum Vertrieb an Privatkunden*") recommended by the German Derivatives Association (*Deutscher Derivate Verband, DDV*) and German Banking Industry Committee (*Deutsche Kreditwirtschaft, DK*).

The distribution of this Base Prospectus and the offering of Securities may be subject to statutory restrictions in certain jurisdictions. This may in particular affect the offer, sale, possession and/or distribution of Securities as well as the distribution, publication or possession of the Base Prospectus. Persons having access to the Securities and/or the Base Prospectus are required to obtain information on and comply with such restrictions on their own responsibility.

No offers, sales or deliveries of any Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligation on the Issuer other than the approval and notification(s) mentioned above.

In particular, the Base Prospectus may not be used for the purpose of an offer or advertisement (i) in a country where the offer or advertisement has not been approved provided that such approval is required and/or (ii) to a person to whom such offer or advertisement may not legally be made.

The Base Prospectus including possible supplements thereto and the Final terms do not constitute an offer or an invitation to purchase Securities to any person and may not be viewed as recommendations by the Issuer to purchase Securities.

#### 11.1.2 European Economic Area

In relation to each member state of the European Economic Area (each a "**Member State**"), the Securities may not be offered to the public in that relevant Member State, except that an offer of the Securities to the public may be made in that Member State:

- (a) if the Final Terms in relation to the Securities specify that an offer of those Securities may be made in that Member State in accordance with the Prospectus Regulation (as defined below) and the conditions of the offer applicable to the offer of the Securities set out in the

Base Prospectus or in the relevant Final Terms, as the case may be, in the period beginning and ending on the dates specified in such Final Terms, provided that the Issuer has consented in writing to the use of the Base Prospectus for the purpose of such offer;

- (b) at any time if it is addressed solely to qualified investors as defined in the Prospectus Regulation (the "**Qualified Investors**");
- (c) at any time if it is addressed to fewer than 150 natural or legal persons (other than Qualified Investors) per Member State, subject to obtaining the prior consent of the Issuer or the relevant person or entity placing or offering the Securities nominated by the Issuer for any such offer; and/or
- (d) at any time in any other circumstances falling within Article 1 (4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement the Base Prospectus at least one banking day prior to the respective offer.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

The expression "**Prospectus Regulation**" means the Regulation (EU) 2017/1129.

### 11.1.3 United States of America

- (a) The Securities have not been and will not be registered under the Securities Act of 1933, as amended ("**Securities Act**"), and, except as provided in the applicable Final Terms with respect to Securities with a maturity on the issue date of one year or less, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to another exemption from, or in a transaction otherwise not subject to, the registration requirements of the Securities Act.
- (b) Any person when purchasing the Securities agrees with the Issuer and, if different, the seller of such Securities that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, any Securities so purchased in the United States or to, or for the account or benefit of, any U.S. person, (ii) it is not purchasing any Securities for the account or benefit of any U.S. person and (iii) it will not make offers, sales, re-sales or deliveries of any Securities (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person.

Terms used above have the meanings given to them by Regulation S.

## 11.2 Availability of Documents

Copies of the following documents be available for collection in the English language, free of charge, during usual business hours on any weekday (except Saturdays and public holidays) at the offices of UniCredit Bank AG (Arabellastraße 12, 81925 Munich).

- (1) the articles of association of the Issuer<sup>22</sup>,
- (2) the consolidated annual reports in respect of the fiscal years ended 31 December 2018 and 31 December 2019 of the Issuer<sup>23</sup>,
- (3) the unconsolidated annual financial statements of the Issuer in respect of the fiscal year ended 31 December 2019 prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*)<sup>32</sup>,
- (4) the unaudited consolidated results of HVB Group as of 30 June 2020<sup>32</sup>,
- (5) the forms of the Global Notes,
- (6) the relevant Final Terms and
- (7) the Agency Agreement, as amended and restated.

The obligation to provide copies of these documents persists as long as the Securities offered under this Base Prospectus are outstanding.

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<sup>22</sup> The document may be inspected on the following website:  
<https://www.hypovereinsbank.de/hvb/ueber-uns/investor-relations-en/corporate-governance-en>

<sup>23</sup> The document may be inspected on the following website:  
<https://www.hypovereinsbank.de/portal?view=/de/ueber-uns/investor-relations-en/reports.jsp>



### 11.3 Information incorporated by reference into this Base Prospectus

The following information on the specified pages shall be incorporated by reference in, and form part of, this Base Prospectus in accordance with Art. 19 (1) of the PR.

(1) Registration Document of UniCredit Bank AG, dated 20 May 2020<sup>1)</sup>:

Section	Pages of the document where the incorporated information is set out:	Incorporation of information in this Base Prospectus on the following pages:
<b>Persons Responsible, Third Party Information</b>	p. 10	p. 375
<b>Statutory Auditors</b>	p. 10	p. 375
<b>Risk Factors</b>	p. 4 to 10	p. 375
<b>UniCredit Bank AG</b>		
- History and development	p.11	p. 375
- Information about HVB, the parent company of HVB Group	p. 11	p. 375
- Programme Transform 2019 and Team 23	p. 11	p. 375
<b>Business Overview</b>		
- Principal Activities	p. 12	p. 375
- Business segments of HVB Group	p. 12 to 14	p. 375
- Principal Markets	p. 14	p. 375
- Organisational Structure	p. 11	p. 375
<b>Trend Information</b>	p. 20	p. 375
<b>Management and Supervisory Bodies</b>	p. 14 to 16	p. 375
<b>Financial Information</b>	p.16 - 17	p. 375
<b>Major Shareholders</b>	p. 16	p. 375

<b>Audit Opinion of the Auditors</b>	p. 17	p. 375
<b>Legal and Arbitration Proceedings</b>	p. 17 to 20	p. 375
<b>Proceedings Related to Actions by the Regulatory Authorities</b>	p. 20	p. 375

(2) **Audited financial statements of HVB Group for the fiscal year ended 31 December 2018 (Annual Report HVB Group 2018)<sup>2)</sup>**:

<b>Section</b>	<b>Pages of the document where the incorporated information is set out:</b>	<b>Incorporation of information in this Base Prospectus on the following pages:</b>
- Consolidated Income Statement	p. 96 to 97	p. 375
- Consolidated Balance Sheet	p. 98 to 99	p. 375
- Statement of Changes in Consolidated Shareholders' Equity	p. 100 to 102	p. 375
- Consolidated Cash Flow Statement	p. 103	p. 375
- Notes	p. 104 to 276	p. 375
- Declaration by the Management Board	p. 277	p. 375
- Auditors' Report	p. 278 to 283	p. 375

(3) **Audited financial statements of HVB Group for the fiscal year ended 31 December 2019 (Annual Report HVB Group 2019)<sup>2)</sup>**

<b>Section:</b>	<b>Pages of the document where the incorporated information is set out:</b>	<b>Incorporation of information in this Base Prospectus on the following pages:</b>
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- Consolidated Income Statement	p. 88 to 89	p. 375
- Consolidated Balance Sheet	p. 90 to 91	p. 375
- Statement of Changes in Consolidated Shareholders' Equity	p. 92 to 93	p. 375
- Consolidated Cash Flow Statement	p. 94	p. 375
- Notes to the Consolidated Financial Statements	p. 95 to 254	p. 375
- Declaration by the Management Board	p. 255	p. 375
- Auditors' Report	p. 256 to 261	p. 375

(4) **Audited unconsolidated financial statements (*Jahresabschluss*) of UniCredit Bank AG for the fiscal year ended 31 December 2019 (Annual Report UniCredit Bank AG (HVB) 2019)<sup>2)</sup>:**

<b>Section</b>	<b>Pages of the document where the incorporated information is set out:</b>	<b>Incorporation of information in this Base Prospectus on the following pages:</b>
- Income Statement of UniCredit Bank AG	p. 78 to 79	p. 375
- Balance Sheet of UniCredit Bank AG	p. 80 to 85	p. 375
- Notes	p. 86 to 143	p. 375
- Declaration by the Management Board	p. 144	p. 375
- Auditors' Report	p. 145 to 150	p. 375

(5) Unaudited Consolidated Results of HVB Group as of 30 June 2020 (Half year report at June 30, 2020) <sup>2)</sup>:

Section	Pages of the document where the incorporated information is set out:	Incorporation of information in this Base Prospectus on the following pages:
- Financial Highlights	p. 2 to 3	p. 375
- Consolidated Income Statement	p. 54 to 55	p. 375
- Consolidated Balance Sheet	p. 56 to 57	p. 375
- Statement of Changes in Shareholders' Equity	p. 58 to 59	p. 375
- Consolidated Cash Flow Statement (abridged version)	p. 60	p. 375
- Consolidated Accounts (selected Notes)	p. 61 to 122	p. 375
- Declaration by the Management Board	p. 124	p. 375

- 1) The document has been approved by BaFin and published on <https://www.onemarkets.de/de/rechtliches/registrierungsdokumente-uvp.html> (Rechtliches / Registrierungsdokumente – UVP / 2019). The referenced information is incorporated in this Base Prospectus pursuant to Art. 19(1)(a) of the Prospectus Regulation.
- 2) The document has been published on the following website of the Issuer: <https://www.hypovereinsbank.de/portal?view=/de/ueber-uns/investor-relations-en/reports.jsp> (Über uns / Investor Relations / Berichte). The referenced information is incorporated in this Base Prospectus pursuant to Art. 19(1)(e) of the Prospectus Regulation.

The non-incorporated parts of the aforementioned documents are either not relevant for potential investors or are covered elsewhere in this Base Prospectus.

**Registered Office of the Issuer**

**UniCredit Bank AG**  
Arabellastraße 12  
81925 Munich

Munich, 3 December 2020