



UniCredit Bank AG

(incorporated as a stock corporation under the laws of the Federal Republic of Germany and registered with the Commercial Register at the Local Court (*Amtsgericht*) in Munich under number HRB 42148)



UniCredit International Bank (Luxembourg) S.A.

(incorporated as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg, having its registered office at 8-10, rue Jean Monnet, L-2180 Luxembourg and registered with the Luxembourg trade and companies register under number B.103.341)

guaranteed by



UniCredit S.p.A.

(incorporated with limited liability as a Società per Azioni in the Republic of Italy under registered number 00348170101)

in the case of Securities issued by UniCredit International Bank (Luxembourg) S.A.

Base Prospectus

for the issuance of

Single Underlying and Multi Underlying Securities (with partial capital protection)

**under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the
Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg)
S.A.**

12 May 2017

In accordance with the Luxembourg law relating to securities prospectuses dated 10 July 2005 as amended (*loi relative aux prospectus pour valeurs mobilières*) (the "**Luxembourg Prospectus Act**"), this Base Prospectus was approved by the Commission de Surveillance du Secteur Financier ("**CSSF**") as the competent authority in Luxembourg (the "**Competent Authority**") in accordance with the Luxembourg Prospectus Act. In accordance with Article 7 (7) of the Luxembourg Prospectus Act, by approving this Base Prospectus, the CSSF gives no assurances relating to the economic and financial suitability of the transaction and the quality or solvency of the Issuers.

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This document constitutes a base prospectus (the "**Base Prospectus**") according to Art. 5 (4) of the Directive 2003/71/EC, as amended, (the "Prospectus Directive") in connection with the Commission Regulation (EC) No 809/2004, as amended for the issuance of single underlying and multi underlying securities (with partial capital protection) (the "**Securities**") issued from time to time by UniCredit Bank AG ("**UniCredit Bank**" or "**HVB**") under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and UniCredit International Bank (Luxembourg) S.A. ("**UniCredit International Luxembourg**") under the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. (each an "**Issuer**" and together the "**Issuers**") (each a "**Programme**"). The payment of all amounts due in respect of the securities issued by UniCredit International Luxembourg (the "**Guaranteed Securities**") will be guaranteed by UniCredit S.p.A. ("**UniCredit**" or the "**Guarantor**").

The purpose of this Base Prospectus is the offer to the public and/or the admission to trading of the Securities described herein. This Base Prospectus is to be read together with the information provided in (a) the registration document of UniCredit Bank AG dated 21 April 2017 (the "**Registration Document**"), whose information is incorporated herein by reference, (b) the supplements to this Base Prospectus, if any (the "**Supplements**"), (c) the 60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016 (the "**EMTN Programme**") and any supplements thereto, (d) all other documents whose information is incorporated herein by reference (see "General Information– Information incorporated by reference in this Base Prospectus" below) as well as (e) the respective Final Terms of the Securities (the "**Final Terms**").

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 Issuers. Neither this Base Prospectus nor any other information supplied in connection with the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Guarantor, that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Securities. Potential investors should note that an investment in the Securities is only suitable for investors, who understand the nature of such Securities and the extent of their exposure to risk and have sufficient knowledge, experience and access to professional advisors (including their financial, legal and tax advisors) in order to form their own legal, tax and financial opinion upon the existing risks of such investments in such Securities.

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuers or the Guarantor to any person to subscribe for or to purchase any Securities. The delivery of this Base Prospectus does not imply that the information contained herein concerning the Issuers or the Guarantor is correct at any time subsequent to the date of this Base Prospectus or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Issuers will be obliged to supplement this Base Prospectus. Investors should read *inter alia* the most recent non-consolidated or consolidated financial statements and interim reports, if any, of the Issuers and the Guarantor when deciding whether or not to purchase any Securities.

The distribution of this Base Prospectus and the offer or sale of Securities may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Securities come must inform themselves about any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Securities in the United States of America and on the offer or sale of the Securities in the European Economic Area (see "General Information – Selling Restrictions" below). The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Securities may not be offered, sold or delivered within the United States of America or to U.S. persons (see "General Information – Selling Restrictions" below).

SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in sections A – E (A.1 – E.7).

This Summary contains all the Elements required to be included in a summary for this type of securities, issuer and guarantor. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the specification of 'Not applicable'.

A. INTRODUCTION AND WARNINGS

A.1	Warning	<p>This Summary should be read as an introduction to the Base Prospectus.</p> <p>Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or it does not provide, when read together with the other parts of the Base Prospectus, all necessary key information in order to aid investors when considering whether to invest in the Securities.</p>
A.2	Consent to the use of the base prospectus	<p>[Subject to the following paragraphs, the Issuer [and the Guarantor] give[s] [its][their] [general] [individual] consent to the use of the Base Prospectus [during the term of its validity/offer period] for subsequent resale or final placement of the Securities by financial intermediaries.]</p> <p>[Not applicable. The Issuer [and the Guarantor] [does] [do] not give[s] [its][their] consent to the use of the Base Prospectus for subsequent resale or final placement of the Securities by financial intermediaries.]</p>
	Indication of the offer period	<p>[Resale or final placement of the Securities by financial intermediaries can be made and consent to use the Base Prospectus is given for [the following offer period of the Securities: <i>[Insert offer period for which consent is given]</i>] [the period of the validity of the Base Prospectus].]</p> <p>[Not applicable. No consent is given.]</p>
	Other conditions attached to the consent	<p>[The Issuer's [and the Guarantor's] consent to the use of the Base Prospectus is subject to the condition that each financial intermediary complies with the applicable selling restrictions as well as the terms and conditions of the offer.</p> <p>[Moreover, the Issuer's [and the Guarantor'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</p>

		with the consent of the Issuer [and of the Guarantor] and subject to the conditions set forth with the consent.] Besides, the consent is not subject to any other conditions.] [Not applicable. No consent is given.]
	Provision of terms and conditions of the offer by financial intermediary	[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.] [Not applicable. No consent is given.]

B. ISSUER [AND GUARANTOR]

B.1	Legal and commercial name	UniCredit Bank AG (" UniCredit Bank "[, the " Issuer "] or " HVB ", and together with its consolidated subsidiaries, the " HVB Group ") is the legal name. HypoVereinsbank is the commercial name.
B.2	Domicile / Legal form / Legislation / Country of incorporation	HVB has its registered office at Arabellastrasse 12, 81925 Munich, was incorporated in Germany and is registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany.
B.4b	Known trends affecting the issuer and the industries in which it operates	The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2017 as well as other remaining imponderables. In this environment, HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived therefrom on a regular basis.
B.5	Description of the group and the issuer's position within the group	HVB is the parent company of HVB Group. HVB Group holds directly and indirectly equity participations in various companies. HVB has been an affiliated company of UniCredit S.p.A., Rome (" UniCredit S.p.A. ", and together with its consolidated subsidiaries, " UniCredit ") since November 2005 and hence a major part of UniCredit from that date as a sub-group. UniCredit S.p.A. holds directly 100% of UniCredit Bank's share capital.
B.9	Profit forecast or estimate	Not applicable; no profit forecast or estimate is made.
B.10	Nature of any qualifications in the audit report on historical financial information	Not applicable; Deloitte GmbH Wirtschaftsprüfungsgesellschaft, the independent auditor (<i>Wirtschaftsprüfer</i>) of HVB, has audited the consolidated financial statements (<i>Konzernabschluss</i>) of HVB Group for the financial year ended 31 December 2015 and for the financial year ended 31 December 2016 and the unconsolidated financial statements of HVB for the financial year ended 31 December 2015 and for the financial year ended 31 December 2016 and has in each case issued an unqualified audit opinion thereon.

B.12	Selected historical key financial information	<p>Consolidated Financial Highlights as of 31 December 2016*</p> <table border="1"> <thead> <tr> <th data-bbox="483 205 938 289">Key performance indicators</th> <th data-bbox="938 205 1146 289">1/1/2016 – 31/12/2016</th> <th data-bbox="1146 205 1354 289">1/1/2015 – 31/12/2015</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 289 938 338">Net operating profit</td> <td data-bbox="938 289 1146 338">€1,096m</td> <td data-bbox="1146 289 1354 338">€983m</td> </tr> <tr> <td data-bbox="483 338 938 386">Profit before tax</td> <td data-bbox="938 338 1146 386">€297m</td> <td data-bbox="1146 338 1354 386">€776m</td> </tr> <tr> <td data-bbox="483 386 938 434">Consolidated profit</td> <td data-bbox="938 386 1146 434">€157m</td> <td data-bbox="1146 386 1354 434">€750m</td> </tr> <tr> <td data-bbox="483 434 938 483">Earnings per share</td> <td data-bbox="938 434 1146 483">€0.19</td> <td data-bbox="1146 434 1354 483">€0.93</td> </tr> <tr> <td data-bbox="483 483 938 531"></td> <td data-bbox="938 483 1146 531"></td> <td data-bbox="1146 483 1354 531"></td> </tr> <tr> <th data-bbox="483 531 938 579">Balance sheet figures</th> <th data-bbox="938 531 1146 579">31/12/2016</th> <th data-bbox="1146 531 1354 579">31/12/2015</th> </tr> <tr> <td data-bbox="483 579 938 630">Total assets</td> <td data-bbox="938 579 1146 630">€302,090m</td> <td data-bbox="1146 579 1354 630">€298,745m</td> </tr> <tr> <td data-bbox="483 630 938 678">Shareholders' equity</td> <td data-bbox="938 630 1146 678">€20,420m</td> <td data-bbox="1146 630 1354 678">€20,766m</td> </tr> <tr> <td data-bbox="483 678 938 726"></td> <td data-bbox="938 678 1146 726"></td> <td data-bbox="1146 678 1354 726"></td> </tr> <tr> <th data-bbox="483 726 938 774">Key capital ratios</th> <th data-bbox="938 726 1146 774">31/12/2016</th> <th data-bbox="1146 726 1354 774">31/12/2015</th> </tr> <tr> <td data-bbox="483 774 938 823">Common Equity Tier 1 capital¹⁾</td> <td data-bbox="938 774 1146 823">€16,611m</td> <td data-bbox="1146 774 1354 823">€19,564m</td> </tr> <tr> <td data-bbox="483 823 938 871">Core capital (Tier 1 capital)¹⁾</td> <td data-bbox="938 823 1146 871">€16,611m</td> <td data-bbox="1146 823 1354 871">€19,564m</td> </tr> <tr> <td data-bbox="483 871 938 1003">Risk-weighted assets (including equivalents for market risk and operational risk)</td> <td data-bbox="938 871 1146 1003">€81,575m</td> <td data-bbox="1146 871 1354 1003">€78,057m</td> </tr> <tr> <td data-bbox="483 1003 938 1073">Common Equity Tier 1 capital ratio^{1,2)}</td> <td data-bbox="938 1003 1146 1073">20.4%</td> <td data-bbox="1146 1003 1354 1073">25.1%</td> </tr> <tr> <td data-bbox="483 1073 938 1142">Core capital ratio (Tier 1 ratio)^{1,2)}</td> <td data-bbox="938 1073 1146 1142">20.4%</td> <td data-bbox="1146 1073 1354 1142">25.1%</td> </tr> </tbody> </table> <p data-bbox="483 1199 1396 1255">* Figures shown in this table are audited and taken from the consolidated financial statements of HVB Group for the financial year ended 31 December 2016.</p> <p data-bbox="483 1266 1000 1297">1) in accordance with approved financial statements</p> <p data-bbox="483 1304 1396 1360">2) calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk.</p>	Key performance indicators	1/1/2016 – 31/12/2016	1/1/2015 – 31/12/2015	Net operating profit	€1,096m	€983m	Profit before tax	€297m	€776m	Consolidated profit	€157m	€750m	Earnings per share	€0.19	€0.93				Balance sheet figures	31/12/2016	31/12/2015	Total assets	€302,090m	€298,745m	Shareholders' equity	€20,420m	€20,766m				Key capital ratios	31/12/2016	31/12/2015	Common Equity Tier 1 capital ¹⁾	€16,611m	€19,564m	Core capital (Tier 1 capital) ¹⁾	€16,611m	€19,564m	Risk-weighted assets (including equivalents for market risk and operational risk)	€81,575m	€78,057m	Common Equity Tier 1 capital ratio ^{1,2)}	20.4%	25.1%	Core capital ratio (Tier 1 ratio) ^{1,2)}	20.4%	25.1%
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	Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited	There has been no material adverse change in the prospects of HVB Group since 31 December 2016, the date of its last published audited financial statements (Annual Report 2016).																																																

	financial statements or a description of any material adverse change	
	Description of significant change in the financial position subsequent to the period covered by the historical financial information	There has been no significant change in the financial position of HVB Group since 31 December 2016.
B.13	Recent events	Not applicable. There are no recent events particular to HVB which are to a material extent relevant to the evaluation of its solvency.
B.14	B.5 plus statement of dependency upon other entities within the group	See Element B.5 above. Not applicable. HVB is not dependent on any entity within HVB Group.
B.15	Principal activities	HVB offers a comprehensive range of banking and financial products and services to private, corporate and public sector customers, international companies and institutional customers. This range extends from mortgage loans, consumer loans, savings-and-loan and insurance products, and banking services for private customers through to business loans and foreign trade financing and investment banking products for corporate customers. In the private banking and wealth management customer segments, UniCredit Bank offers comprehensive financial and asset planning with needs-based advisory services by generalists and specialists. HVB Group continues to be the centre of competence for the international markets and investment banking operations for the entire UniCredit. In addition, the Corporate & Investment Banking business segment acts as a product factory for customers in the Commercial Banking business segment.
B.16	Direct or indirect ownership or control	UniCredit S.p.A. holds directly 100% of UniCredit Bank AG's share capital.

[B.17 ¹	Ratings	<p>Investors should keep in mind that a rating does not constitute a recommendation to purchase, sell or hold the debt securities issued by the Issuer.</p> <p>Moreover, the ratings awarded by the rating agencies may at any time be suspended, downgraded or withdrawn.</p> <p>Securities currently issued by HVB have been rated as follows by Fitch Ratings Ltd. ("Fitch"), Moody's Investors Service Ltd. ("Moody's") and Standard & Poor's Ratings Services ("S&P") (Status: April 2017):</p> <table border="1" data-bbox="483 527 1386 884"> <thead> <tr> <th></th> <th>Long-term Preferred Senior Notes¹</th> <th>Long-term Non-Preferred Senior Unsecured Notes¹</th> <th>Subordinated Notes</th> <th>Short-term Notes</th> <th>Outlook</th> </tr> </thead> <tbody> <tr> <td>Moody's</td> <td>A2²</td> <td>Baa1³</td> <td>Baa3</td> <td>P-1</td> <td>Stable</td> </tr> <tr> <td>S&P</td> <td>BBB⁴</td> <td>BBB-⁵</td> <td>BB+</td> <td>A-2</td> <td>Developing⁷</td> </tr> <tr> <td>Fitch</td> <td>BBB+⁶</td> <td>BBB+⁶</td> <td>BBB</td> <td>F2</td> <td>Negative</td> </tr> </tbody> </table> <p>¹ Due to an amendment to section 46f of the German Banking Act ("KWG"), which revises the ranking of bank debt in the event of insolvency, the rating agencies have developed a sub-division into 2 rating categories for long-term senior debt previously grouped into a single category.</p> <p>² Designation by Moody's: "Senior senior unsecured bank debt".</p> <p>³ Designation by Moody's: "Senior unsecured".</p> <p>⁴ Designation by S&P: "Long-term Senior Unsecured".</p> <p>⁵ Designation by S&P: "Long-term Senior Subordinated".</p> <p>⁶ Designation by Fitch: "Long-term Issuer Default-Rating".</p> <p>⁷ Not applicable to Long-term Non-Preferred Senior Unsecured Notes.</p> <p>Fitch's long-term credit ratings are set up along a scale from AAA, AA, A, BBB, BB, B, CCC, CC, C, RD down to D. Fitch uses the intermediate modifiers "+" and "-" to denote relative status within the categories from AA to B. Fitch has also the possibility for guidance (termed "on watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (evolving). Outlooks are used to indicate the direction of a rating as the indication could be positive, negative, stable or evolving. Fitch's short-term ratings reflect a bank's vulnerability to default in the short term at the levels F1+, F1, F2, F3, B, C, RD and D.</p> <p>Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter rating category, the modifier "2" indicates a mid-range ranking and the modifier "3"</p>		Long-term Preferred Senior Notes ¹	Long-term Non-Preferred Senior Unsecured Notes ¹	Subordinated Notes	Short-term Notes	Outlook	Moody's	A2 ²	Baa1 ³	Baa3	P-1	Stable	S&P	BBB ⁴	BBB- ⁵	BB+	A-2	Developing ⁷	Fitch	BBB+ ⁶	BBB+ ⁶	BBB	F2	Negative
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Moody's	A2 ²	Baa1 ³	Baa3	P-1	Stable																					
S&P	BBB ⁴	BBB- ⁵	BB+	A-2	Developing ⁷																					
Fitch	BBB+ ⁶	BBB+ ⁶	BBB	F2	Negative																					

¹ This Element is only applicable in the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Telescope Securities, Garant Geoscope Securities, Garant Coupon Geoscope Securities, Garant Digital Coupon Securities and Garant Digital Cash Collect Securities where the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

		<p>indicates that the bank is in the lower end of its letter-rating category. Moody's also has the option of adding further guidance (referred to as "under review") as to whether a rating is likely to be upgraded (possible upgrade), downgraded (possible downgrade) or uncertain (direction uncertain). Outlooks are assigned indicating the direction of any pressure. Characteristics are positive, negative, stable and developing. Moody's short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).</p> <p>S&P assign long-term credit ratings on a scale from AAA, AA, A, BBB, BB, B, CCC, CC, C, SD to D. The ratings from AA to CCC may be modified by the addition of a "+" or "-" to show the relative standing within the major rating categories. S&P may also offer guidance (termed a "credit watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). Outlooks are an indicator for the rating direction. S&P uses positive, negative, stable and developing outlooks. S&P assigns short-term credit ratings for specific issues on a scale from A-1+, A-1, A-2, A-3, B, C, SD down to D.]]</p>
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[B.1	Legal and commercial name of the Issuer	UniCredit International Bank (Luxembourg) S.A ([the " Issuer " or] " UniCredit International Luxembourg ").
B.2	Domicile/ legal form/ legislation/ country of incorporation	UniCredit International Luxembourg is a public limited liability company (<i>société anonyme</i>) incorporated under the laws of the Grand Duchy of Luxembourg and domiciled in Luxembourg.
B.4b	Trend information	Not applicable. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for its current financial year.
B.5	Description of the group and the issuer's position within the group	The UniCredit Banking Group, registered with the Register of Banking Groups held by the Bank of Italy pursuant to Article 64 of the Legislative Decree No. 385 of 1 September 1993 as amended (the " Banking Act ") under number 02008.1 (the " Group " or the " UniCredit Group ") is a strong pan-European Group with a simple commercial banking model and a fully plugged in Corporate & Investment Bank, delivering its unique Western, Central and Eastern European network, with 6,221 branches and 117,659 full time equivalent employees ² , to its extensive 25 million strong client franchise. UniCredit offers local expertise as well as international reach and accompanies and supports its clients globally, providing clients with unparalleled access to leading banks in its 14 core markets, as well as an another 18 countries worldwide. UniCredit's European banking network includes Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia, Serbia and Turkey.

² excluding Group Koç/YapiKredi (Turkey).

		UniCredit International Luxembourg is a wholly owned subsidiary of UniCredit.																					
B.9	Profit forecast or estimate	Not applicable. No profit forecasts or estimates have been made in the Base Prospectus.																					
B.10	Audit report qualifications	Not applicable. No qualifications are contained in any audit or review report included in the Base Prospectus.																					
B.12	Selected historical key financial information	<p>Income Statement</p> <p>The table below sets out summary information extracted from the audited consolidated annual financial statements as at and for each of the financial years ended 31 December 2015 and 31 December 2016 for UniCredit International Luxembourg:</p> <table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>Year ended 31 December 2016</th> <th>Year ended 31 December 2015</th> </tr> </thead> <tbody> <tr> <td>Operating income of which:</td> <td>9</td> <td>12</td> </tr> <tr> <td>–net interest</td> <td>9</td> <td>12</td> </tr> <tr> <td>Operating costs</td> <td>(3)</td> <td>(5)</td> </tr> <tr> <td>Profit</td> <td>5</td> <td>7</td> </tr> <tr> <td>Profit (loss) before tax</td> <td>5</td> <td>7</td> </tr> <tr> <td>Net profit (loss)</td> <td>4</td> <td>5</td> </tr> </tbody> </table>	<i>€ millions</i>	Year ended 31 December 2016	Year ended 31 December 2015	Operating income of which:	9	12	–net interest	9	12	Operating costs	(3)	(5)	Profit	5	7	Profit (loss) before tax	5	7	Net profit (loss)	4	5
<i>€ millions</i>	Year ended 31 December 2016	Year ended 31 December 2015																					
Operating income of which:	9	12																					
–net interest	9	12																					
Operating costs	(3)	(5)																					
Profit	5	7																					
Profit (loss) before tax	5	7																					
Net profit (loss)	4	5																					
		<p>Statement of Financial Position</p> <p>The table below sets out summary information extracted from UniCredit International Luxembourg's audited consolidated statement of financial position as at 31 December 2015 and 31 December 2016:</p> <table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>Year ended 31 December 2016</th> <th>Year ended 31 December 2015</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td>3,648</td> <td>3,790</td> </tr> <tr> <td>Financial assets held for trading</td> <td>4</td> <td>2</td> </tr> <tr> <td>Loans and receivables with customers</td> <td>20</td> <td>35</td> </tr> </tbody> </table>	<i>€ millions</i>	Year ended 31 December 2016	Year ended 31 December 2015	Total assets	3,648	3,790	Financial assets held for trading	4	2	Loans and receivables with customers	20	35									
<i>€ millions</i>	Year ended 31 December 2016	Year ended 31 December 2015																					
Total assets	3,648	3,790																					
Financial assets held for trading	4	2																					
Loans and receivables with customers	20	35																					

		Financial liabilities held for trading	7	8
		Deposits from customers and debt securities in issue of which:	2,634	2,821
		- deposits from customers	506	629
		- securities in issue	2,128	2,192
		Shareholders' Equity	287	281
	Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change	There has been no material adverse change in the prospects of UniCredit International Luxembourg since 31 December 2016, the date of its last published audited financial statements.		
	Description of significant change in the financial or trading position subsequent to the period covered by the historical financial information	Not applicable. There has been no significant change in the financial or trading position of UniCredit International Luxembourg since 31 December 2016.		
B.13	Events impacting the Issuer's	Not applicable - There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.		

	solvency	
B.14	Dependence upon other group entities	See Element B.5 above. UniCredit International Luxembourg is a wholly owned subsidiary of UniCredit and owns a 100% interest in a subsidiary named UniCredit Luxembourg Finance S.A., whose principal object is the issue of securities in the U.S. market under a USD 10 billion medium term note programme guaranteed by UniCredit S.p.A.
B.15	Principal activities	UniCredit International Luxembourg is engaged in the business of banking and the provision of financial services. Its main business areas include treasury activities (money market, repurchase agreements or “repos”, interest rate swaps, foreign exchange), issue of certificates of deposit and structured notes, selective investments for its own account, treasury services for institutional and corporate counterparties and management of the remaining credit portfolio.
B.16	Controlling shareholders	UniCredit International Luxembourg is a wholly owned subsidiary of UniCredit.
[B.17 ³	Ratings	[Not applicable. Neither UniCredit International Luxembourg nor the Securities are rated.] [The Securities have been rated as follows by [Fitch Ratings Ltd. (" Fitch ")] [,] [and] [Moody's Investors Service Ltd. (" Moody's ")] [and] [Standard & Poor's Ratings Services (" S&P ")]: [Insert rating information relating to the Securities] UniCredit International Luxembourg is not rated.]]
B.18	Description of the Guarantee	The due and punctual payment of all amounts payable by UniCredit International Luxembourg under this Base Prospectus in relation to the Securities issued by UniCredit International Luxembourg as well as the due and punctual performance and observance of each of the other provisions of this Base Prospectus on its part to be performed or observed in relation to such Securities will be irrevocably and – subject as provided in the Guarantee - unconditionally guaranteed by the Guarantor.
[B.19	Information about the Guarantor	
B.19 B.1	Legal and commercial name of the Guarantor	UniCredit S.p.A. (" UniCredit ")
B.19 B.2	Domicile/ legal form/ legislation/	The Guarantor is a <i>Società per Azioni</i> incorporated under the laws of the Republic of Italy and domiciled in the Republic of Italy.

³ This Element is only applicable in the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Telescope Securities, Garant Geoscope Securities, Garant Coupon Geoscope Securities, Garant Digital Coupon Securities and Garant Digital Cash Collect Securities where the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

	country of incorporation																	
B.19 B.4b	Trend information	Not applicable. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Guarantor's prospects for its current financial year.																
B.19 B.5	Description of the group and the guarantor's position within the group	The Guarantor, registered with the Register of Banking Groups held by the Bank of Italy pursuant to Article 64 of the Legislative Decree No. 385 of 1 September 1993 as amended (the " Banking Act ") under number 02008.1 (the " Group " or the " UniCredit Group "). The UniCredit Group is a strong pan-European Group with a simple commercial banking model and a fully plugged in Corporate & Investment Bank, delivering its unique Western, Central and Eastern European network, with 6,221 branches and 117,659 full time equivalent employees ⁴ , to its extensive 25 million strong client franchise. UniCredit offers local expertise as well as international reach and accompanies and supports its clients globally, providing clients with unparalleled access to leading banks in its 14 core markets, as well as another 18 countries worldwide. UniCredit's European banking network includes Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia, Serbia and Turkey.																
B.19 B.9	Profit forecast or estimate	Not applicable. No profit forecasts or estimates have been made in the Base Prospectus.																
B.19 B.10	Audit report qualifications	Not applicable. No qualifications are contained in any audit or review report included in the Base Prospectus.																
B.19 B.12	Selected historical key financial information	<p>Income Statement</p> <p>The table below sets out summary information extracted from the audited consolidated annual financial statements as at and for each of the financial years ended 31 December 2016 and 31 December 2015 for the UniCredit Group:</p>																
		<table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>Year ended 31 December 2016(*)</th> <th>Year ended 31 December 2015(**)</th> <th>Year ended 31 December 2015(***)</th> </tr> </thead> <tbody> <tr> <td>Operating income of which:</td> <td>18,801</td> <td>18,866</td> <td>22,405</td> </tr> <tr> <td>– net interest</td> <td>10,307</td> <td>10,922</td> <td>11,916</td> </tr> <tr> <td>– dividends and other income from equity investments</td> <td>844</td> <td>822</td> <td>829</td> </tr> </tbody> </table>	<i>€ millions</i>	Year ended 31 December 2016(*)	Year ended 31 December 2015(**)	Year ended 31 December 2015(***)	Operating income of which:	18,801	18,866	22,405	– net interest	10,307	10,922	11,916	– dividends and other income from equity investments	844	822	829
<i>€ millions</i>	Year ended 31 December 2016(*)	Year ended 31 December 2015(**)	Year ended 31 December 2015(***)															
Operating income of which:	18,801	18,866	22,405															
– net interest	10,307	10,922	11,916															
– dividends and other income from equity investments	844	822	829															

⁴ excluding Group Koç/YapiKredi (Turkey).

– net fees and commissions	5,458	5,519	7,848
Operating costs	(12,453)	(12,266)	(13,618)
Operating profit	6,348	6,600	8,787
Profit (loss) before tax	(10,978)	749	2,671
Net profit (loss) attributable to the Group	(11,790)	1,694	1,694

(*) The financial information relating to the financial year ended 31 December 2016 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2016, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.

(**) In 2016 Reclassified income statement, comparative figures as at 31 December 2015 have been restated.

(***) As published in "2015 Consolidated Reports and Accounts".

The figures in this table refer to reclassified income statements.

The table below sets out summary information extracted from the unaudited Consolidated Interim Report as at 31 March 2017 – Press Release of UniCredit and the unaudited Consolidated Interim Report as at 31 March 2016 – Press Release of UniCredit:

<i>€ millions</i>	31 March 2017 (***)	31 March 2016 (***)	31 March 2016 (*****)
Operating income of which:	4,833	4,674	5,476
– net interest	2,564	2,631	2,876
– dividends and other income from equity investments	170	212	212
– net fees and commissions	1,481	1,417	1,946
Operating costs	(2,886)	(2,976)	(3,291)
Operating profit	1,947	1,698	2,186
Profit (loss) before			

tax	833	288	736
Net profit (loss) attributable to the Group	907	406	406

(****) The financial information relating to 31 March 2017 has been extracted from UniCredit's consolidated interim report as at 31 March 2017 - Press release.

(***** In 2016 Reclassified income statement, comparative figures as at 31 March 2016 have been restated.

(***** As published in " UniCredit's consolidated interim report as at 31 March 2016 - Press release"

The figures in this table refer to the reclassified income statements as published at their reference date.

Statement of Financial Position

The table below sets out summary information extracted from UniCredit Group's consolidated audited statement of financial positions as at 31 December 2015 and 31 December 2016:

<i>€ millions</i>	Year ended 31 December 2016 (*)	Year ended 31 December 2015 (**)	Year ended 31 December 2015 (***)
Total assets	859,533	860,433	860,433
Financial assets held for trading	87,467	89,995	90,997
Loans and receivables with customers of which:	444,607	445,382	473,999
– Non-Performing loans (****)	24,995	38,268	38,920
Financial liabilities held for trading	68,361	68,029	68,919
Deposits from customers and	567,855	553,483	584,268

		debt securities in issue of which:																											
		– deposits from customers	452,419	419,686	449,790																								
		– securities in issue	115,436	133,797	134,478																								
		Shareholders' Equity	39,336	50,087	50,087																								
		<p>(*) The financial information relating to the financial year ended 31 December 2016 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2016, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.</p> <p>(**) In 2016 Reclassified balance sheet, comparative figures as at 31 December 2015 have been restated.</p> <p>(***) As published in "2015 Consolidated Reports and Accounts".</p> <p>(****) The perimeter of Impaired loans is substantially equivalent to the perimeter of EBA NPE exposures.</p> <p>The figures in this table refer to the reclassified balance sheet.</p>																											
		<p>The table below sets out summary information extracted from the unaudited Consolidated Interim Report as at 31 March 2016 – Press Release of UniCredit and the unaudited Consolidated Interim Report as at 31 March 2015 – Press Release of UniCredit:</p>																											
		<table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>31 March 2017 (*****)</th> <th>31 March 2016 (*****)</th> <th>31 March 2016 (*****)</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td>881,085</td> <td>892,203</td> <td>892,203</td> </tr> <tr> <td>Financial assets held for trading</td> <td>86,191</td> <td>97,239</td> <td>97,880</td> </tr> <tr> <td>Loans and receivables with customers of which:</td> <td>452,766</td> <td>455,756</td> <td>483,282</td> </tr> <tr> <td>Financial liabilities held for trading</td> <td>60,631</td> <td>71,154</td> <td>71,793</td> </tr> <tr> <td>Deposits from customers and debt securities in</td> <td>547,099</td> <td>576,988</td> <td>606,014</td> </tr> </tbody> </table>	<i>€ millions</i>	31 March 2017 (*****)	31 March 2016 (*****)	31 March 2016 (*****)	Total assets	881,085	892,203	892,203	Financial assets held for trading	86,191	97,239	97,880	Loans and receivables with customers of which:	452,766	455,756	483,282	Financial liabilities held for trading	60,631	71,154	71,793	Deposits from customers and debt securities in	547,099	576,988	606,014			
<i>€ millions</i>	31 March 2017 (*****)	31 March 2016 (*****)	31 March 2016 (*****)																										
Total assets	881,085	892,203	892,203																										
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Financial liabilities held for trading	60,631	71,154	71,793																										
Deposits from customers and debt securities in	547,099	576,988	606,014																										

		issue of which: – deposits from customers – securities in issue Shareholders' Equity	437,996 109,103 52,723	449,360 127,628 50,431	477,833 128,181 50,431
<p>Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change</p> <p>Description of significant change in the financial or trading position subsequent</p>		<p>(*****) The financial information relating to 31 March 2017 has been extracted from UniCredit's consolidated interim report as at 31 March 2017 - Press release.</p> <p>(*****) In 2016 Reclassified balance sheet, comparative figures as at 31 March 2016 have been restated.</p> <p>(*****) As published in " UniCredit's consolidated interim report as at 31 March 2016 - Press release".</p> <p>The figures in this table refer to the reclassified balance sheets as published at their reference date.</p> <p>There has been no material adverse change in the prospects of UniCredit and the Group since 31 December 2016. For the year ended 31 December 2016, UniCredit recorded a non-recurring negative impact of €13.1 billion on its net income resulting from the impact of certain actions provided for in the Strategic Plan. Consequently, the Group was temporarily breaching the Combined Buffer requirements and it was hence subject to distribution restrictions. Following the successful completion of the €13 billion Rights Offering on 2 March 2017, UniCredit fully restored all the applicable requirements.</p> <p>Not applicable. There has been no significant change in the financial or trading position of UniCredit and the Group since 31 March 2017.</p>			

	to the period covered by the historical financial information																	
B.19 B.13	Events impacting the Guarantor's solvency	Not applicable. There are no recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency.																
B.19 B.14	Dependence upon other group entities	See Element B.19 B.5 above. The Guarantor is the parent company of the UniCredit Group and carries out, in addition to banking activities, organic policy, governance and control functions vis-à-vis its subsidiary banking, financial and instrumental companies.																
B.19 B.15	The Guarantor's Principal activities	The Guarantor, as a bank which undertakes management and co-ordination activities for the UniCredit Group, pursuant to the provisions of Article 61 of the Italian Banking Act, issues, when exercising these management and co-ordination activities, instructions to the other members of the banking group in respect of the fulfilment of the requirements laid down by the supervisory authorities in the interest of the banking group's stability.																
B.19 B.16	Controlling shareholders	Not applicable. No individual or entity controls the Guarantor within the meaning provided for in Article 93 of the Legislative Decree No. 58 of 24 February 1998 (the " Financial Services Act "), as amended.																
[B.19 B.17 ⁵	Ratings of the Guarantor	<p>UniCredit S.p.A. has been rated as follows:</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Standard & Poor's</th> <th>Moody's</th> <th>Fitch ratings</th> </tr> </thead> <tbody> <tr> <td>Short Term Counterparty Credit Rating</td> <td>A-3</td> <td>P-2</td> <td>F2</td> </tr> <tr> <td>Long Term Counterparty Credit Rating</td> <td>BBB-</td> <td>Baa1</td> <td>BBB</td> </tr> <tr> <td>Outlook</td> <td>stable</td> <td>stable</td> <td>stable</td> </tr> </tbody> </table> <p>]]</p>	Description	Standard & Poor's	Moody's	Fitch ratings	Short Term Counterparty Credit Rating	A-3	P-2	F2	Long Term Counterparty Credit Rating	BBB-	Baa1	BBB	Outlook	stable	stable	stable
Description	Standard & Poor's	Moody's	Fitch ratings															
Short Term Counterparty Credit Rating	A-3	P-2	F2															
Long Term Counterparty Credit Rating	BBB-	Baa1	BBB															
Outlook	stable	stable	stable															

⁵ This Element is only applicable in the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Telescope Securities, Garant Geoscope Securities, Garant Coupon Geoscope Securities, Garant Digital Coupon Securities and Garant Digital Cash Collect Securities where the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

C. SECURITIES

C.1	Type and class of the securities being offered and/or admitted to trading, including any security identification numbers	<p>[Garant Securities] [All Time High Garant Securities] [FX Upside Garant Securities] [FX Downside Garant Securities] [Garant Cliquet Securities] [Garant Cash Collect Securities] [Garant Performance Cliquet Securities] [Garant Digital Cash Collect Securities] [Garant Performance Cash Collect Securities] [Garant Digital Coupon Securities][Garant Digital Cliquet Securities] [Performance Telescope Securities] [Garant Telescope Securities] [Garant Coupon Geoscope Securities] [Twin-Win Garant Securities] [Win-Win Garant Securities] [Icarus Garant Securities] [Geoscope Securities] [Garant Basket Securities] [Garant Rainbow Securities] [FX Upside Garant Basket Securities] [FX Downside Garant Basket Securities] [Proxy FX Upside Garant Basket Securities] [Proxy FX Downside Garant Basket Securities] [Garant Performance Telescope Basket Securities] [Securities linked to Target Vol Basket Strategies] [Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out] [Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out]</p> <p>"Nominal Amount" means [Insert].⁶</p> <p>["Aggregate Nominal Amount" means [Insert].]</p> <p>The Securities will be issued as [Notes] [Certificates] with a Nominal Amount.</p> <p>["Notes"] ["Certificates"] are debt instruments in bearer form (<i>Inhaberschuldverschreibungen</i>) (pursuant to § 793 German Civil Code (<i>Bürgerliches Gesetzbuch, BGB</i>)).</p> <p>[The Securities are represented by a permanent global note without interest coupons.]</p> <p>[The Securities are initially represented by a temporary global note without interest coupons which will be exchangeable for a permanent global note without interest coupons.]</p> <p>The holders of the Securities (the "Security Holders") are not entitled to receive definitive Securities.</p> <p>The [ISIN (International Securities Identification Number)] [WKN (German Securities Identification Number (<i>Wertpapierkennnummer</i>))] [Common Code] is specified in the Annex to this Summary.</p>
C.2	Currency of the securities issue	The Securities are issued in [Insert] (the " Specified Currency ").
C.5	Restrictions of any free transferability of the securities	Not applicable. The Securities are freely transferable.
C.8	Rights attached to the securities,	<p>Rights attached to the Securities</p> <p>The Securities have a fixed term.</p>

⁶ In the case of Garant Telescope Securities and Garant Cliquet Securities issued by UniCredit Bank AG, the Nominal Amount shall not be less than EUR 1,000.

<p>including ranking and limitations to those rights</p>	<p>[The Securities do not bear interest.]</p> <p><u>Product Type 1 and 2:</u> <i>In the case of Garant Securities and All Time High Garant Securitie with fixed rate the following applies:</i></p> <p>Interest Rate</p> <p>[The Securities bear [interest at a fixed interest rate (as specified in C.9)] [interest at the respective Interest Rate [(as specified in C.9)]]].]</p> <p>The "Interest Rate" for [each] [the respective] Interest Period is specified in the table in the Annex to this summary.]</p> <p>[The "Interest Payment Date[s]" [is] [are] [specified in the table in the Annex to this summary] [[<i>Insert day and month(s)</i>] in each year] [First Interest Payment Date and each date that follows [<i>Insert number of months</i>] month[s] after the First Interest Payment Date or the preceding Interest Payment Date in each case. The last Interest Payment Date means the Interest End Date. First Interest Payment Date and Interest End Date are specified in the table in the Annex to this summary].]</p> <p>[Interest Payment Dates may be subject to postponements.]]</p> <p><u>Product Type 1, 2, 5–7, 9, 12-17 and 25:</u> <i>In the case of Garant Securities, All Time High Garant Securities, Garant Cliquet Securities, Garant Cash Collect Securities, Garant Performance Cliquet Securities, Garant Performance Cash Collect Securities, Performance Telescope Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities, Twin-Win Garant Securities, Win-Win Garant Securities, Icarus Garant Securities, Garant Performance Telescope Basket Securities with an unconditional Additional Amount, the following applies:</i> The Security Holders are entitled to the payment of the respective Additional Amount (k) as specified in [C.10][C.15] on the respective Additional Amount Payment Date (k) as specified in the Annex to this Summary. The Minimum Additional Amount (k) is specified in the Annex to this Summary.]</p> <p><u>Product Type 5–14, 18 and 25:</u> <i>In the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Performance Cliquet Securities, Garant Digital Cash Collect Securities, Garant Performance Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Performance Telescope Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities, Geoscope Securities and Garant Performance Telescope Basket Securities, the following applies:</i></p> <p>[Upon occurrence of an Income Payment Event (as specified in [C.10][C.15]),] [T][t]he Security Holders shall be entitled to payment of the respective Additional Amount (k) (as specified in [C.10][C.15]) on the Additional Amount Payment Date (k) as specified in the Annex to this Summary.]</p> <p><u>Product Type 1–4 and 7–28:</u> <i>In the case of Garant Securities, All Time High Garant Securities, FX Upside Garant Securities, FX Downside Garant Securities, Garant Performance Cliquet Securities, Garant Digital Cash Collect Securities, Garant Performance Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Performance Telescope Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities, Twin-Win Garant Securities, Win-Win Garant Securities, Icarus Garant Securities, Geoscope Securities, Garant Basket Securities, Garant Rainbow Securities, FX Upside Garant Basket Securities, FX Downside Garant Basket Securities, Proxy FX Upside Garant Basket Securities, Proxy</i></p>
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		<p><u><i>FX Downside Garant Basket Securities, Garant Performance Telescope Basket Securities, Securities linked to Basket Target Vol Strategies, Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out and Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out the following applies:</i></u></p> <p>The Security Holders are entitled to the payment of the Redemption Amount (as defined in [C.15][C.9]) on the Maturity Date (as defined in [C.9][C.16]).]</p> <p><u><i>[Product Type 5, 6, 10, 11, 13 and 14: In the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities and Garant Coupon Geoscope Securities, the following applies:</i></u> The Security Holders are entitled to the payment of the Redemption Amount (as defined in [C.15][C.9]) on the Maturity Date (as defined in [C.9][C.16]), which is equal to the Minimum Amount, which is specified in Annex to this Summary. [The latter is less than the Nominal Amount.]]</p>
		<p>Governing law of the Securities</p> <p>The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by German law.</p> <p>Status of the Securities</p> <p>The obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, <i>pari passu</i> with all other unsecured unsubordinated present and future obligations of the Issuer.</p> <p>Limitations of the rights</p> <p>The Issuer may [convert the Securities or] adjust the terms and conditions of the Securities.</p>
[C.9 ⁷	Nominal interest rate; the date from which interest becomes payable and the due dates for interest; where the rate is not fixed, description of the underlying on which it is based; maturity date and arrangements for the amortisation of the loan, including the	<p>See also Element C.8 above.</p> <p><u><i>[Product Type 1 and 2: In the case of Garant Securities and All Time High Garant Securitie with fixed rate the following applies:</i></u></p> <p>Interest Rate, Interest Commencement Date, Interest Payments Dates</p> <p>[The Securities bear [interest at a fixed interest rate (as specified in C.9)] [interest at the respective Interest Rate [(as specified in C.9)]]].]</p> <p>The "Interest Rate" for [each] [the respective] Interest Period is specified in the table in the Annex to this summary.]</p> <p>[The "Interest Commencement Date" is specified in the table in the Annex to this summary.]</p> <p>[The "Interest Payment Date[s]" [is] [are] [specified in the table in the Annex to this summary][[Insert day and month(s)] in each year][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. The last Interest Payment Date means the Interest End Date. First Interest Payment Date and Interest End Date are specified in the table in the Annex to this summary].]</p> <p>[Interest Payment Dates may be subject to postponements.]]</p> <p><u><i>[Product Type 5, 6, 10, 11, 13 and 14: In the case of Garant Cliquet</i></u></p>

⁷ This Element is only applicable to Securities, where the Redemption Amount is not linked to an Underlying and the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

	repayment procedures; an indication of yield; representation of debt security holders	<p><u>Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities, the following applies:</u></p> <p>Interest Rate, Interest Start Date, Interest Payments Dates Not applicable. The Securities do not bear interest. [However, the respective Additional Amount (k) is linked to the value of the Underlying.]</p> <p>Underlying Descriptions of the Underlying are specified in the Annex to this Summary. For further information about the performance of the Underlying and its volatility, please refer to the Website (or any successor website), as specified in the Annex to this Summary.</p> <p>Redemption Redemption on the Maturity Date will be made by payment of the Redemption Amount in the Specified Currency. The "Redemption Amount" is equal to the Minimum Amount. The "Maturity Date" and the "Minimum Amount" are specified in Annex to this Summary.</p> <p>Payments All payments shall be made to [Insert] (the "Principal Paying Agent"). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer 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 payment. "Clearing System" means [Insert].</p> <p>Indication of yield Not applicable. The yield cannot be calculated at the time of the issue of the Securities.</p> <p>Representation of the Security Holders Not applicable. No representative exists.]</p>
[C.10 ⁸	Description of the derivative component in the interest payment and how the investment is influenced by the value of the base instrument	<p>See also Element C.9 above.</p> <p><u>Product Type 5: In the case of Garant Cliquet Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.9). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>[[In the event of a positive Performance of the Underlying (k), the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] [The respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] The Security Holder participates in the Performance of the Underlying (k) with respect to Observation Date (k) (as specified in the Annex to this Summary) in accordance with the Participation Factor (as specified in the Annex to this Summary).] [An Additional Amount (k) is paid if the Reference Price (as defined in the</p>

⁸ This Element is only applicable to Securities, where the Redemption Amount is not linked to an Underlying and the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

	<p>Annex to this Summary) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than the Reference Price on the preceding Observation Date (k-1).]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) with respect to the Observation Date (k). [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>Performance of the Underlying (k) means $(R(k) - R(k-1)) / R(k-1)$ where on the first Observation Date (k=1) the Performance between the Initial Observation Date (as specified in the Annex to this Summary) and the first Observation Date (k) is relevant. R (k) means [<i>insert definition of R (k)</i>]. R (k-1) means [<i>insert definition of R (k-1)</i>].]</p> <p><u><i>[Product Type 6: In the case of Garant Cash Collect Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.9). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>[[In the event of a positive Performance of the Underlying (k), the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] [The respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] The Security Holder participates in the Performance of the Underlying (k) with respect to the Observation Date (k) (as specified in the Annex to this Summary) in accordance with the Participation Factor (as specified in the Annex to this Summary).]</p> <p>[An Additional Amount (k) is paid if the Reference Price (as defined in the Annex to this Summary) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than the Strike.]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) in relation to the Strike with respect to Observation Date (k). [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>Performance of the Underlying (k) means $(R(k) - \text{Strike}) / R(\text{initial})$. [The Strike is specified in the Annex to this Summary] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary] [R (initial) is specified in the Annex to this Summary] [R (initial) means [<i>Insert definition of R (initial)</i>].]]</p> <p><u><i>[Product Type 10: In the case of Garant Digital Coupon Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.9). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>An Additional Amount (k) (as specified in the Annex to this Summary) is</p>
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	<p>paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary) if the Reference Price (as specified in the Annex to this Summary) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than or equal to the Strike. [The Strike is specified in the Annex to this Summary.] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary.] [R (initial) is specified in the Annex to this Summary.] [R (initial) means <i>[Insert definition of R (initial)]</i>.]</p> <p>If R (k) is less than Strike, no Additional Amount (k) will be paid on the Observation Date (k) (as specified in the Annex to this Summary).]</p> <p><u><i>[Product Type 11: In the case of Garant Digital Cliquet Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.9). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>An Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary) if the R (k) (as specified in the Annex to this Summary) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than or equal to the Strike (k-1). [Strike (k-1) is specified in the Annex to this Summary.] [Strike (k-1) means Strike Level x R (k-1), where Strike Level and R (k-1) are specified in the Annex to this Summary.] [Strike(k-1) means <i>[Insert definition of Strike(k-1)]</i>.]</p> <p>If R (k) is less than Strike(k-1), no Additional Amount (k) will be paid on the Observation Date (k) (as specified in the Annex to this Summary).]</p> <p><u><i>[Product Type 13: In the case of Garant Telescope Securities the following applies:</i></u></p> <p>Garant Telescope Securities are Securities where the payment of the Additional Amount (k) is based on the Performance of the Underlying (k) taking into account the Participation Factor (as specified in the Annex to this Summary). The Performance of the Underlying (k) is equal to the difference between (i) the quotient of R (k), as the numerator, and R (initial), as the denominator, and (ii) the Strike Level, divided by D (k). D (k) and the Strike Level are specified in the Annex to this Summary. R (k) means the Reference Price (as specified in the Annex to this Summary) on the respective Observation Date (k). [R (initial) is specified in the Annex to this Summary.] [R (initial) means <i>[Insert]</i>.]</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified in the Annex to this Summary), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).</p> <p>An "Income Payment Event" means that R (k), as determined on the respective Observation Date (k), is greater than the Strike. [The Strike is specified in the Annex to this Summary.] ["Strike" means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary.]</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by the Participation Factor and the Performance of the Underlying (k).</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]]</p>
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	<p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by the Participation Factor and the Performance of the Underlying (k).</p> <p>The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k).]</p> <p>The value of the Securities during their term can rise if the value of the Underlying increases and can decline if the value of the Underlying falls (disregarding other factors affecting the value).]</p> <p><u>[Product Type 14: In the case of Garant Coupon Geoscope Securities, the following applies:</u></p> <p>Garant Coupon Geoscope Securities are Securities where the payment of the Additional Amount (k) is based on the Geometric Average Performance of the Underlying (k) taking into account the Participation Factor (as specified in the Annex to this Summary). The Geometric Average Performance of the Underlying (k) is the n^{th} (where "n" depends on the respective D (k)) root of the Performance of the Underlying (k), where the Performance of the Underlying (k) is the quotient between of R (k), as the numerator, and R (initial), as the denominator. D (k) is specified in the Annex to this Summary. R (k) means the Reference Price (as specified in the Annex to this Summary) on the respective Observation Date (k). [R (initial) is specified in the Annex to this Summary.] [R (initial) means <i>[Insert]</i>.]</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified in the Annex to this Summary), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).</p> <p>An "Income Payment Event" means that the Geometric Average Performance of the Underlying (k) is greater than the Strike Level (as specified in the Annex to this Summary).</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level (as specified in the Annex to this Summary).</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level (as specified in the Annex to this Summary).</p> <p>The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>The value of the Securities during their term can rise if the value of the Underlying increases and can decline if the value of the Underlying falls</p>
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		<p>(disregarding other factors affecting the value).]</p> <p><i>[In the case of Quanto Securities, insert:</i></p> <p>The Securities are issued as Quanto Securities. Quanto Securities are Securities where the currency relating to the Underlying (the "Underlying Currency") is not the same as the Specified Currency and where a currency protection element is provided. In the case of Quanto Securities, one unit of the Underlying Currency is equal to one unit of the Specified Currency.]</p>
[C.11 ⁹	Admission to trading on a regulated market	<p>[Application [has been] [will be] made for the Securities to be admitted to trading with effect from <i>[Insert expected date]</i> on the following regulated markets: [regulated market of the Luxembourg Stock Exchange] <i>[Insert other relevant regulated or market(s)]</i>.]</p> <p>[The Securities are already admitted to trading on the following regulated or other equivalent markets: <i>[Insert relevant regulated or other equivalent market(s)]</i>.]</p> <p>[Not applicable. No application of the Securities to be admitted to trading on a regulated or equivalent market has been or is intended to be made.]</p> <p><i>[[Insert name of the Market Maker]</i> (the "Market Maker") undertakes to provide liquidity through bid and offer quotes in accordance with the market making rules of <i>[Insert relevant regulated or unregulated market(s)]</i>, where the Securities are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organised and managed by <i>[Insert relevant regulated or unregulated market(s)]</i>, and the relevant instructions to such rules. [Moreover, the Market Maker undertakes to apply, in normal market conditions, a spread between bid and offer quotes not higher than <i>[Insert percentage]</i> %.]]</p>
[C.15 ¹⁰	Effect of the underlying on the value of the securities	<p><u><i>[Product Type 1: In the case of Garant Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Performance of the Underlying is equal to the quotient of R (final) (as defined in C.19) and R (initial). [R (initial) is specified in the Annex to this Summary] [R (initial) means <i>[Insert definition of R (initial)]</i>]. The Security Holder participates in the Performance of the Underlying in relation to the Strike in accordance with the Participation Factor (as specified in the Annex to this Summary). However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Garant Cap Securities: In addition, the redemption payment is limited to a Maximum Amount [(as specified in the Annex to this Summary)].]</i></p> <p>At the Maturity Date the "Redemption Amount" is an amount in the Specified Currency equal to the Nominal Amount multiplied by the total of</p>

⁹ This Element is only applicable to Securities with a denomination of less than EUR 100,000.

¹⁰ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

	<p>(i) the Floor Level (as specified in the Annex to this Summary) and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.</p> <p>[The exchange rate risk for the Security Holder is excluded (Quanto).] [The exchange rate risk for the Security Holder is not excluded (Compo).]</p> <p>The Redemption Amount is not less than the Minimum Amount [<i>Insert for Garant Cap Securities: and not greater than the Maximum Amount.</i>]</p> <p><u>[Product Type 2: In the case of All Time High Garant Securities, the following applies:</u></p> <p>The value of the Securities during their term depends decisively on the price of the Underlying (as specified in C.20). If the price of the Underlying rises, the value of the Securities regularly rises. If the price of the Underlying falls, the value of the Securities regularly falls.</p> <p>Redemption on the Maturity Date (as defined in C.16) is based on i) the Performance of the Underlying in relation to the Strike, in accordance with the Participation Factor or ii) the Best Performance of the Underlying, in accordance with the Participation Factor_{best} in relation to the Strike_{best}, depending on which of these amounts is the higher one. The Security Holder benefits from a rising Performance of the Underlying in relation to the Strike and Strike_{best}, respectively. The Security Holder receives at least the Minimum Amount (as specified in the Annex to this Summary). [<i>In the case of All Time High Garant Securities where the Minimum Amount is less than the Nominal Amount, the following applies: The Minimum Amount is less than the Nominal Amount.</i>] [<i>In the case of All Time High Garant Cap Securities, insert: The Redemption Amount is in no case higher than the Maximum Amount [(as specified in the Annex to this Summary)].</i>]</p> <p>Performance of the Underlying means [, under consideration of the Reference Price Adjustment Factor (as specified in C.19),] the quotient of R (final) (as specified in C.19), as the numerator, and R (initial) [(the Reference Price on the Initial Observation Date)][(the equally weighted average (arithmetic average) of the Reference Prices (as specified in the Annex to this Summary) determined on the Initial Observation Dates)][(the highest Reference Price during the Best out-Period)][(the lowest Reference Price during the Worst in-Period)], as the denominator.</p> <p>Best Performance of the Underlying means the quotient of R (final)_{best} (as specified in C.19), as the numerator, and R (initial), as the denominator.</p> <p><i>Redemption</i></p> <p>The Securities are redeemed on the Maturity Date by payment of the Redemption Amount (the "Redemption Amount"), determined as follows:</p> <p>Redemption Amount = Nominal Amount x (Floor Level + Max (Participation Factor x (Performance of the Underlying – Strike); (Participation Factor_{best} x Best Performance of the Underlying – Strike_{best}) [converted by application of an FX Exchange Rate (as specified in the Annex to this Summary)]).</p> <p>However, the Redemption Amount is not less than the Minimum Amount [<i>In the case of All Time High Garant Cap Securities, the following applies: and not greater than the Maximum Amount</i>].</p> <p>The Floor Level, the Participation Factor, the Participation Factor_{best}, the Strike and the Strike_{best} are specified in the Annex to this Summary.]</p> <p><u>[Product Type 3: In the case of FX Upside Garant Securities, the following applies:</u></p>
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	<p>The value of the Securities during their term depends mainly on the price of an exchange rate as the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from a rising exchange rate. However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for FX Upside Garant Cap Securities: In addition, the redemption payment is limited to a Maximum Amount [(as specified in the Annex to this Summary)].]</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Participation Factor.</p> <p>The Performance of the Underlying is equal to the quotient of (i) the difference between R (final) (as defined in C.19) and the Strike (as the numerator) and (ii) [R (final)] [the Strike] (as the denominator).] [The Strike is specified in the Annex to this Summary.] [Strike means R (initial) x Strike Level, where the Strike Level is specified in the Annex to this Summary.] [R (initial) is specified in the Annex to this Summary.] [R (initial) means <i>[Insert definition of R (initial)].</i>]</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for FX Upside Garant Cap Securities: and not greater than the Maximum Amount].</i></p> <p><u><i>[Product Type 4: In the case of FX Downside Garant Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of an exchange rate as the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying falls and falls if the price of the Underlying rises.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from a falling exchange rate. However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for FX Downside Garant_Cap Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Participation Factor.</p> <p>The Performance of the Underlying is equal to the quotient of (i) the difference between the Strike and R (final) (as defined in C.19) (as the numerator) and (ii) [R (final)] [the Strike] (as the denominator).] [The Strike is specified in the Annex to this Summary] [Strike means R (initial) x Strike</p>
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	<p>Level, where the Strike Level is specified in the Annex to this Summary] [R (initial) is specified in the Annex to this Summary] [R (initial) means <i>[Insert definition of R (initial)]</i>].</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for FX Downside Garant Cap Securities: and not greater than the Maximum Amount].</i></p> <hr/> <p><u><i>[Product Type 5: In the case of Garant Cliquet Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>[In the event of a positive Performance of the Underlying (k), the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).]</p> <p>[The respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] The Security Holder participates in the Performance of the Underlying (k) with respect to Observation Date (k) (as specified in the Annex to this Summary) in accordance with the Participation Factor (as specified in the Annex to this Summary). Performance of the Underlying (k) means $(R(k) - R(k-1)) / R(k-1)$. R (k) means <i>[insert definition of R (k)]</i>. R (k-1) means <i>[insert definition of R (k-1)]</i> (where on the first Observation Date (k=1) the Performance between the Initial Observation Date (as specified in the Annex to this Summary) and the first Observation Date (k) is relevant).]</p> <p>[An Additional Amount (k) is paid if the Reference Price (as defined in C.19) on the Observation Date (k) is greater than the Reference Price on the preceding Observation Date (k-1).]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) with respect to Observation Date (k). [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <hr/> <p><u><i>[Product Type 6: In the case of Garant Cash Collect Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>[In the event of a positive Performance of the Underlying (k), the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).]</p> <p>[The respective Additional Amount (k) is paid on the Additional Amount Payment Date (k).] The Security Holder participates in the Performance of the Underlying (k) with respect to Observation Date (k) (as specified in the Annex to this Summary) in accordance with the Participation Factor (as specified in the Annex to this Summary).]</p> <p>[An Additional Amount (k) is paid if the Reference Price (as defined in C.19) on the Observation Date (k) is greater than the Strike (as specified in the</p>
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	<p>Annex to this Summary).]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) in relation to the Strike with respect to Observation Date (k) (as specified in the Annex to this Summary). Performance of the Underlying (k) means $(R(k) - \text{Strike}) / R(\text{initial})$. [The Strike is specified in the Annex to this Summary] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary.] [R (initial) is specified in the Annex to this Summary.] [R (initial) means <i>[Insert definition of R (initial)]</i>.] [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]]</p> <hr/> <p><u><i>[Product Type 7: In the case of Garant Performance Cliquet Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k). The Additional Amount (k) depends on the Performance of the Underlying (k). Performance of the Underlying (k) means $(R(k) - R(k-1)) / R(k-1)$. R (k) means <i>[insert definition of R (k)]</i>. R (k-1) means <i>[insert definition of R (k-1)]</i>. In relation to the Additional Amount (k), the Security Holder participates in the Performance of the Underlying (k) with respect to the Observation Date (k) (as specified in the Annex to this Summary in accordance with the Participation Factor (as specified in the Annex to this Summary); in relation to the Redemption Amount, the Security Holder participates in the Performance of the Underlying between the Initial Observation Date (as specified in the Annex to this Summary) and the Final Observation Date (as defined in C.16) in accordance with the Final Participation Factor (as specified in the Annex to this Summary). However, the redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Garant Cap Performance Cliquet Securities:</i> In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</p> <p><i>Additional Amount</i></p> <p>[An Additional Amount (k) is paid if the Reference Price (as defined in C.19) on the Observation Date (k) is greater than the Reference Price on the preceding Observation Date (k-1).]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) with respect to the Observation Date (k). Performance of the Underlying (k) is the quotient of the Reference Price on the Observation Date (k) as nominator and the Reference Price on the immediately preceding Observation Date as denominator (where on the first</p>
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	<p>Observation Date (k=1) the Performance between the Initial Observation Date (as specified in the Annex to this Summary) and the first Observation Date (k) is relevant. [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p><i>Redemption Amount</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Final Participation Factor. The Performance of the Underlying is equal to the difference between (i) the quotient of R (final) (as defined in C.19) as the numerator and R (initial) (as specified in the Annex to this Summary) as the denominator and (ii) the Strike (as specified in the Annex to this Summary). The Redemption Amount is not less than the Minimum Amount [Insert for Garant Cap Performance Cliquet Securities: and not greater than the Maximum Amount].]</p> <p><u>[Product Type 8: In the case of Garant Digital Cash Collect Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying in relation to the Barrier (as specified in the Annex to this Summary). Moreover, the respective Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Dates (k) if R (k) is greater than or equal to the Strike. R (k) means [Insert definition of R (k)].</p> <p><i>Additional Amount</i></p> <p>An Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary) if the Reference Price (as defined in C.19) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than or equal to the Strike.</p> <p><i>Redemption Amount</i></p> <p>If no Barrier Event has occurred, the "Redemption Amount" at the Maturity Date is equal to the Nominal Amount.</p> <p>If a Barrier Event has occurred, the "Redemption Amount" at the Maturity Date is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Final Participation Factor (as specified in the Annex to this Summary). The Performance of the Underlying is equal to the difference between (i) the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator and (ii) the Final Strike Level (as specified in the Annex to this Summary). The Redemption Amount will not be less than the Minimum Amount.</p> <p>R (initial) means [Insert definition of R (initial)].</p> <p>A Barrier Event occurs if R (final) falls below the Barrier. [The Barrier is</p>
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	<p>specified in the Annex to this Summary.] [Barrier means Barrier Level x R (initial), where the Barrier Level is specified in the Annex to this Summary.]]</p> <p><u>[Product Type 9: In the case of Garant Performance Cash Collect Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Date (k). The Additional Amount (k) depends on the Performance of the Underlying (k). Performance of the Underlying (k) means $(R(k) - \text{Strike}) / R(\text{initial})$. R (k) means <i>[insert definition of R (k)]</i>. In relation to the Additional Amount (k), the Security Holder participates in the Performance of the Underlying (k) with respect to the Observation Date (k) (as specified in the Annex to this Summary) in accordance with the Participation Factor (as specified in the Annex to this Summary). Performance of the Underlying (k) is the quotient of the Reference Price on the Observation Date (k) as nominator and the Reference Price on the Initial Observation Date as denominator (the Initial Observation Date is specified in the Annex to this Summary). In relation to the Redemption Amount, the Security Holder participates in the Performance of the Underlying between the Initial Observation Date and the Final Observation Date (as defined in C.16) in accordance with the Final Participation Factor (as specified in the Annex to this Summary). However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Garant Cap Performance Cash Collect Securities:</i> In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</p> <p><i>Additional Amount</i></p> <p>[An Additional Amount (k) is paid if the Reference Price (as defined in C.19) on the Observation Date (k) is greater than the Strike.]</p> <p>The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) in relation to the Strike between the Initial Observation Date and the respective Observation Date (k). [The Strike is specified in the Annex to this Summary] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary] [R (initial) is specified in the Annex to this Summary] [R (initial) means <i>[Insert definition of R (initial)]</i>]. [The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p><i>Redemption Amount</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Final Participation Factor (as specified in the Annex to this Summary). The Performance of the Underlying is equal to the difference</p>
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	<p>between (i) the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator and (ii) the Final Strike Level (as specified in the Annex to this Summary). The Redemption Amount is not less than the Minimum Amount [<i>Insert for Garant Cap Performance Cash Collect Securities: and not greater than the Maximum Amount</i>].]</p> <p><u>[Product Type 10: In the case of Garant Digital Coupon Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>An Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary) if the Reference Price (as defined in C.19) on the Observation Date (k) (as specified in the Annex to this Summary) is greater than or equal to the Strike. [The Strike is specified in the Annex to this Summary.] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary.] [R (initial) is specified in the Annex to this Summary.] [R (initial) means [<i>Insert definition of R (initial)</i>].]</p> <p>If R (k) is less than Strike, no Additional Amount (k) will be paid on the Observation Date (k) (as specified in the Annex to this Summary).]</p> <p><u>[Product Type 11: In the case of Garant Digital Cliquet Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>An Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary) if R(k) (as defined in C.19) (as specified in the Annex to this Summary) is greater than or equal to the Strike(k-1). [Strike (k-1) means Strike Level x R (k-1), where Strike Level and R (k-1) are specified in the Annex to this Summary.] [Strike(k-1) means [<i>Insert definition of Strike (k-1)</i>].]</p> <p>If R (k) is less than Strike(k-1), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p><u>[Product Type 12: In the case of Performance Telescope Securities, the following applies:</u></p> <p>Performance Telescope Securities are Securities where the redemption on the Maturity Date is based on the Performance of the Underlying. Performance of the Underlying means the quotient of R (final) (as specified in C. 19), as the numerator, and R (initial) as the denominator. [R (initial) is specified in the Annex to this Summary.] [R (initial) means [<i>Insert</i>].]</p> <p>The Security Holder receives at least one specified minimum redemption payment. [<i>In the case of Performance Telescope Securities with a Minimum Amount where the Minimum Amount is less than the Nominal Amount, the following applies: The Redemption Amount is less than the Nominal Amount.</i>] [<i>In the case of Performance Telescope Securities with a Minimum Amount and a Cap, the following applies:</i> Furthermore, the Redemption</p>
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	<p>Amount will not be greater than the Maximum Amount.]</p> <p>Furthermore, [upon occurrence of an Income Payment Event,] on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the Performance of the Underlying (k), taking into account the Participation Factor (as specified in the Annex to this Summary). The Performance of the Underlying (k) is equal to the difference between (i) the quotient of R (k), as the numerator, and R (initial), as the denominator, and (ii) the Strike Level, divided by D (k). D (k) and the Strike Level are specified in the Annex to this Summary. R (k) means the Reference Price on the respective Observation Date (k).</p> <p>Additional Amount</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified in the Annex to this Summary), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p>An "Income Payment Event" means that R (k), as determined on the respective Observation Date (k), is greater than the Strike. [The Strike is specified in the Annex to this Summary.] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary].]</p> <p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by the Participation Factor and the Performance of the Underlying (k).</p> <p>[The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>Redemption</p> <p>The Securities will be redeemed on the Maturity Date (as defined in C.16) at the Redemption Amount (the "Redemption Amount"). The Redemption Amount is equal to the Nominal Amount x (Floor Level + Final Participation Factor x (Performance of the Underlying - Final Strike Level)). The Redemption Amount shall not be less than the Minimum Amount [<i>In the case of Performance Telescope Securities with a Minimum Amount and a Cap, the following applies:</i> and shall not be greater than the Maximum Amount].</p> <p>The Floor Level, the Final Participation Factor, the Final Strike Level[,] [and] the Minimum Amount [and the Maximum Amount] are specified in the Annex to this Summary. [Maximum Amount means [Insert].]</p> <p><u>[Product Type 13: In the case of Garant Telescope Securities insert:</u></p> <p>Garant Telescope Securities are Securities where the payment of the Additional Amount (k) is based on the Performance of the Underlying (k), taking into account the Participation Factor (as specified in the Annex to this Summary) and the respective D (k) (as specified in the Annex to this Summary). The "Performance of the Underlying (k)" is equal to the difference between (i) the quotient of R (k), as the numerator, and R (initial), as the denominator, and (ii) the Strike Level, divided by D (k). [R (initial) is specified in the Annex to this Summary] [R (initial) means [Insert].]</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified in the Annex to this Summary), the respective Additional Amount (k) will be</p>
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	<p>paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).</p> <p>An "Income Payment Event" means that R (k), as determined on the respective Observation Date (k), is greater than the Strike. [The Strike is specified in the Annex to this Summary.] [Strike means Strike Level x R (initial), where the Strike Level is specified in the Annex to this Summary.] R (k) means the Reference Price on the respective Observation Date (k).]</p> <p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by the Participation Factor and the Performance of the Underlying (k).</p> <p>[The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]]</p> <p><u>[Product Type 14: In the case of Garant Coupon Geoscope Securities, insert:</u></p> <p>Garant Coupon Geoscope Securities are Securities where the payment of the Additional Amount (k) is based on the Geometric Average Performance of the Underlying (k), taking into account the Participation Factor (as specified in the Annex to this Summary). Performance of the Underlying means the quotient of R (final) (as specified in C. 19), as the numerator, and R (initial) as the denominator. [R (initial) is specified in the Annex to this Summary.] [R (initial) means [Insert].]</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified in the Annex to this Summary), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).</p> <p>An "Income Payment Event" means that the Geometric Average Performance of the Underlying (k) is greater than the Strike Level (as specified in the Annex to this Summary).</p> <p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level.</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]]</p> <p>[The respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level (as specified in the Annex to this Summary).</p> <p>The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).</p> <p>[The Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).]]]</p>
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[Product Type 15: In the case of Twin-Win Garant Securities, the following applies:

The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises or falls moderately and falls if the price of the Underlying stagnates or falls sharply.

The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Performance of the Underlying is equal to the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator. R (initial) means *[Insert definition of R (initial)]*. If no Barrier Event has occurred, the Security Holder participates in the absolute Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary). Absolute Performance means that both any positive and any negative Performance of the Underlying has a positive effect on the redemption payment, in that any fall in the price of the Underlying is treated as a price gain upon redemption. If a Barrier Event has occurred, the Security Holder participates *[In the case of Securities being issued for the first time under this Base Prospectus ("New Products"), insert: in accordance with the Participation Factor]* in the Performance of the Underlying, with any negative Performance also having a negative effect on the redemption payment. However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). *[The Minimum Amount is less than the Nominal Amount.] [Insert for Twin-Win Cap Garant Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]*

If no Barrier Event has occurred, the "**Redemption Amount**" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the absolute difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1. Absolute difference means that the amount of the difference is used for the purposes of the rest of the calculation without taking into account any preceding minus sign (-).

If a Barrier Event has occurred, the "**Redemption Amount**" is equal to the Nominal Amount multiplied by *[In the case of New Products, insert: the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between]* the Performance of the Underlying *[In the case of New Products, insert: and 1]*.

A Barrier Event occurs if *[any price of the Underlying reaches or falls below the Barrier during the Barrier Observation Period (as specified in the Annex to this Summary) in the case of continuous observation] [a Reference Price (as defined in C.19) falls below the Barrier (as specified in the Annex to this Summary) on a Barrier Observation Date (as specified in the Annex to this Summary)]. [The Barrier is specified in the Annex to this Summary] [Barrier means Barrier Level x R (initial), where the Barrier Level is specified in the Annex to this Summary].*

The Redemption Amount is not less than the Minimum Amount *[Insert for Twin-Win Cap Garant Securities: and not greater than the Maximum Amount].]*

[Product Type 16: In the case of Win-Win Garant Securities, the following applies:

	<p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises or falls and falls if the price of the Underlying stagnates.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Performance of the Underlying is equal to the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator. R (initial) means <i>[Insert definition of R (initial)]</i>. The Security Holder participates in the absolute Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary). Absolute Performance means that both any positive and any negative Performance of the Underlying has a positive effect on the redemption payment, in that any fall in the price of the Underlying is treated as a price gain upon redemption. However, the redemption payment will be at least equal to a Minimum Amount (as specified in the Annex to this Summary). <i>[The Minimum Amount is less than the Nominal Amount.]</i> <i>[Insert for Win-Win Cap Garant Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>The "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the absolute difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1.</p> <p>Absolute difference means that the amount of the difference is used for the purposes of the rest of the calculation without taking into account any preceding minus sign (-).</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Win-Win Cap Garant Securities: and not greater than the Maximum Amount].</i></p> <hr/> <p><i>[Product Type 17: In the case of Icarus Garant Securities, the following applies:</i></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises moderately and falls if the price of the Underlying falls or rises sharply.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Performance of the Underlying is equal to the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator. R (initial) means <i>[Insert definition of R (initial)]</i>. If no Barrier Event has occurred, the redemption payment is based, in accordance with the Participation Factor, on the Performance of the Underlying, although a Minimum Amount (as specified in the Annex to this Summary) is repaid even in the event of negative Performance of the Underlying. <i>[The Minimum Amount is less than the Nominal Amount.]</i> If a Barrier Event has occurred, the redemption payment is limited to a Bonus Amount (as specified in the Annex to this Summary).</p> <p>If no Barrier Event has occurred, the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1.</p>
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	<p>If a Barrier Event has occurred, the "Redemption Amount" is equal to the Bonus Amount.</p> <p>A Barrier Event occurs if [any price of the Underlying reaches or exceeds the Barrier during the Barrier Observation Period (as specified in the Annex to this Summary) in the case of continuous observation] [a Reference Price (as defined in C.19) exceeds the Barrier (as specified in the Annex to this Summary) on a Barrier Observation Date (as specified in the Annex to this Summary)]. [The Barrier is specified in the Annex to this Summary] [Barrier means Barrier Level x R (initial), where the Barrier Level is specified in the Annex to this Summary.] [R (initial) means [Insert definition of R (initial)].]</p> <p>The Redemption Amount will not be less than the Minimum Amount.]</p> <hr/> <p><u>[Product Type 18: In the case of Geoscope Securities, the following applies:</u></p> <p>The value of the Securities during their term depends mainly on the price of the Underlying (as defined in C.20). In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.</p> <p>[The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying (final) and on the occurrence of a Barrier Event. The Performance of the Underlying (final) is equal to the quotient of R (final) (as defined in C.19) as the numerator and R (initial) as the denominator. R (initial) means [Insert definition of R (initial)]. The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.]]</p> <p>Moreover, the respective Additional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Amount Payment Date (k) (as specified in the Annex to this Summary). The Additional Amount (k) depends on the Geometric Average Performance of the Underlying (k) and on the occurrence of an Income Payment Event, unless a Barrier Event has occurred. In the later case the Rebate Amount (as specified in the Annex to this Summary) will be paid on the corresponding Additional Amount Payment Date (k) and on any other following Additional Payment Date regardless of the Geometric Average Performance of the Underlying (k).</p> <p>The Geometric Average Performance of the Underlying (k) is the n^{th} (when "n" depends on the respective D (k)) root of the Performance of the Underlying (k), where the Performance of the Underlying (k) is the quotient between R (k), as the numerator, and R (initial) as denominator. R (k) means the Reference Price on the respective Observation Date (k) (as specified in the Annex to this Summary). D (k) is specified in the Annex to this Summary. Income Payment Event means that the Geometric Average Performance of the Underlying (k) is greater than Strike Level. Barrier Event means that the Geometric Average Performance of the Underlying (k) on any Observation Date (k) is equal to or greater than the Barrier Level (as specified in the Annex to this Summary).</p> <p><i>Additional Amount</i></p> <p>An Additional Amount (k) is paid if on an Observation Date (k) an Income Payment Event has occurred and no Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k). The Additional Amount (k) is equal to the Nominal Amount multiplied by the difference between the Geometric Average Performance of the Underlying</p>
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	<p>(k) and Strike Level. [The Additional Amount (k) is not greater than the Maximum Additional Amount (as specified in the Annex to this Summary).] If a Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k) the Rebate Amount will be paid on the respective Additional Amount Payment Date (k) and on any following additional Amount Payment Date regardless whether an Income Payment Event has occurred.</p> <p>An "Income Payment Event" means that the Geometric Average Performance of the Underlying (k) is greater than the Strike Level (as specified in the Annex to this Summary).]</p> <p><i>Redemption Amount</i></p> <p>If no Barrier Event has occurred on any Observation Date (k) the "Redemption Amount" at the Maturity Date is equal to the Nominal Amount multiplied by the Performance of the Underlying (final), where the Redemption Amount is not less than the Minimum Amount and not greater than the Maximum Amount (as specified in the Annex to this Summary).</p> <p>If a Barrier Event has occurred the "Redemption Amount" corresponds to the Nominal Amount.]]</p> <hr/> <p><u><i>[Product Type 19: In the case of Garant Basket Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Performance of the Underlying is the average performance of the Basket Components_i, which are taken into account according to their Weightings_i (as specified in the Annex to this Summary). The Performance of the respective Basket Component_i is equal to the quotient of K_i (final) (as defined in C.19) and K_i (initial). [K_i (initial) is specified in the Annex to this Summary] [K_i (initial) means <i>[Insert definition of K_i (initial)]</i>]. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from rising Performance of the Underlying in relation to the Strike (as specified in the Annex to this Summary). The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Garant Cap Basket Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Garant Cap Basket Securities: and not greater than the Maximum Amount].]</i></p> <p><u><i>[Product Type 20: In the case of Garant Rainbow Securities, the following applies:</i></u></p>
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	<p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.</p> <p>The redemption payment on the Maturity Date depends on the Performance of the Underlying. The Performance of the Underlying is the total of the performances of the Basket Components_{i best}, which are taken into account according to their weightings. The respective weighting of each Basket Component_i depends on its Performance: The highest weighting is allocated to the Basket Component with the Best Performance, the second-highest Weighting_i to the Basket Component with the second-best Performance, and so on. The Performance of the respective Basket Component_{i best} is equal to the quotient of $K_{i\ best}$ (final) (as defined in C.19) and $K_{i\ best}$ (initial) multiplied by the respective Weighting_{i best} (as specified in the Annex to this Summary). [K_i (initial) is specified in the Annex to this Summary] [$K_{i\ best}$ (initial) means <i>[Insert definition of $K_{i\ best}$ (initial)]</i>]. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from rising Performance of the Underlying in relation to the Strike (as specified in the Annex to this Summary). The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Garant Cap Rainbow Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Garant Cap Rainbow Securities: and not greater than the Maximum Amount].</i></p> <p><u><i>[Product Type 21: In the case of FX Upside Garant Basket Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from rising exchange rates. However, the redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for FX Upside Garant Cap Basket Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>The Performance of the Underlying is the average performance of the Basket Components_i, which are taken into account according to their Weightings_i (as specified in the Annex to this Summary).</p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal</p>
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	<p>Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Participation Factor.</p> <p>The performance of the respective Basket Component_i (the "Performance") is equal to the quotient of (i) the difference between K_i (final) (as defined in C.19) and Strike_i (as the numerator) and (ii) [K_i (final)] [Strike_i] (as the denominator). [Strike_i is specified in the Annex to this Summary.] [Strike_i means K_i (initial) x Strike Level, where the Strike Level is specified in the Annex to this Summary.] [K_i (initial) is specified in the Annex to this Summary] [K_i (initial) means <i>[Insert definition of K_i (initial)]</i>.]</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for FX Upside Garant Cap Basket Securities: and not greater than the Maximum Amount]</i>.</p> <p><u><i>[Product Type 22: In the case of FX Downside Garant Basket Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components falls and falls if the price of the Basket Components rises.</p> <p>The redemption payment on the Maturity Date depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from falling exchange rates. The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for FX Downside Garant Cap Basket Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>The Performance of the Underlying is the average performance of the Basket Components_i, which are taken into account according to their Weightings_i (as specified in the Annex to this Summary).</p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Participation Factor.</p> <p>The performance of the respective Basket Component_i (the "Performance") is equal to the quotient of (i) the difference between Strike_i and K_i (final) (as defined in C.19) (as the numerator) and (ii) [K_i (final)] [Strike_i] (as the denominator). [Strike_i is specified in the Annex to this Summary.] [Strike_i means K_i (initial) x Strike Level, where the Strike Level is specified in the Annex to this Summary.] [K_i (initial) is specified in the Annex to this Summary.] [K_i (initial) means <i>[Insert definition of K_i (initial)]</i>.]</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for FX Downside Garant Cap Basket Securities: and not greater than the Maximum Amount]</i>.</p> <p><u><i>[Product Type 23: In the case of Proxy FX Upside Garant Basket Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the</p>
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	<p>price of the Basket Components falls.</p> <p>The redemption payment on the Maturity Date (as defined in C.16) depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from rising exchange rates. The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Proxy FX Upside Garant Cap Basket Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>The Performance of the Underlying is the average performance of the Basket Components_i, which are taken into account according to their Weightings_i (as specified in the Annex to this Summary).</p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying multiplied by the Participation Factor.</p> <p>The performance of the respective Basket Component_i (the "Performance") is equal to the quotient of (i) the difference between K_i (final) (as defined in C.19) and Strike_i (as the numerator) and (ii) [K_i (final)] [Strike_i] (as the denominator). [Strike_i is specified in the Annex to this Summary.] [Strike_i means K_i (initial) x Strike Level, where the Strike Level is specified in the Annex to this Summary.] [K_i (initial) is specified in the Annex to this Summary.] [K_i (initial) means <i>[Insert definition of K_i (initial)].</i>] For this purpose, the Performance_i is at least equal to zero.</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Proxy FX Upside Garant Cap Basket Securities: and not greater than the Maximum Amount].</i></p> <p><u><i>[Product Type 24: In the case of Proxy FX Downside Garant Basket Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends mainly on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components falls and falls if the price of the Basket Components rises.</p> <p>The redemption payment on the Maturity Date (as defined in [C.9][C.16]) depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the Annex to this Summary), benefiting from falling exchange rates. The redemption payment is at least equal to a Minimum Amount (as specified in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] <i>[Insert for Proxy FX Downside Garant Cap Basket Securities: In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]</i></p> <p>The Performance of the Underlying is the average performance of the Basket Components_i, which are taken into account according to their Weightings_i (as specified in the Annex to this Summary).</p> <p>At the Maturity Date the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) the Floor Level (as specified in the Annex to this Summary) and (ii) the Performance of the Underlying</p>
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	<p>multiplied by the Participation Factor.</p> <p>The Performance of the respective Basket Component_i is equal to the quotient of (i) the difference between Strike_i and K_i (final) (as specified in C.19) (as the numerator) and (ii) [K_i (final)] [Strike_i] (as the denominator). [Strike_i is specified in the Annex to this Summary.] [Strike_i means K_i (initial) x Strike Level, where the Strike Level is specified in the Annex to this Summary] [K_i (initial) is specified in the Annex to this Summary.] [K_i (initial) means <i>[Insert definition of K_i (initial)]</i>.] For this purpose, the Performance_i is at least equal to zero.</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Proxy FX Downside Garant Cap Basket Securities: and not greater than the Maximum Amount]</i>.</p> <p><u><i>[Product Type 25: In the case of Garant Performance Telescope Basket Securities, the following applies:</i></u></p> <p>Garant Performance Telescope Basket Securities are Securities where the redemption on the Maturity Date is based on the Performance of the Underlying. The Underlying is a basket consisting of a number of Basket Components. The Performance of the Underlying (basket) is equal to the average Performance of the Basket Components, which are taken into account according to their Weighting. The Security Holder participates in the Performance of the Underlying in accordance with the Final Participation Factor benefiting from rising Performance of the Underlying in relation to the Final Strike Level. The Performance of the Underlying means the arithmetic average Performance of the relevant Basket Components_i (as specified in the Annex to this Summary) on the Final Observation Date (as specified in C.16), which are taken into account according to their Weighting_i (as specified in the Annex to this Summary). The Performance of the relevant Basket Component_i is equal to K_i (final) (as defined in C.19) divided by K_i (initial). [K_i (initial) means <i>[Insert]</i>]. [K_i (initial) is specified in the Annex to this Summary.]</p> <p>The Security Holder receives at least one specified minimum redemption payment. <i>[In the case of Garant Performance Telescope Basket Securities with a Minimum Amount where the Minimum Amount is less than the Nominal Amount, the following applies: The Redemption Amount is less than the Nominal Amount.] [In the case of Garant Performance Telescope Cap Basket Securities, the following applies: Furthermore, the Redemption Amount will not be greater than the Maximum Amount.]</i></p> <p>Furthermore, [upon occurrence of an Income Payment Event,] on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the Performance of the Underlying (k), taking into account the Participation Factor (as specified in the Annex to this Summary) and the respective D (k) (as specified in the Annex to this Summary). The "Performance of the Underlying (k)" is the average Performance of the relevant Basket Components_i on the relevant Observation Date (k), which are taken into account according to their Weighting_i. The Performance of the relevant Basket Component_i on the relevant Observation Date (k) is equal to K_i (k) divided by K_i (initial). K_i (k) means the Reference Price of the Basket Component_i on the respective Observation Date (k). K_i (k) and K_i (initial) are specified in the Annex to this Summary.</p> <p>Additional Amount</p> <p>[If an Income Payment Event occurs on an Observation Date (k) (as specified</p>
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	<p>in the Annex to this Summary), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).</p> <p>An "Income Payment Event" means that the Performance of the Underlying (k) is greater than the Strike (as specified in the Annex to this Summary).]</p> <p>[The Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]</p> <p>The "Additional Amount (k)" is equal to the Nominal Amount x (Performance of the Underlying (k) - Strike) x Participation Factor x 1/D (k).</p> <p>[The Additional Amount (k) is not less than the Minimum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>[The Additional Amount (k) is not greater than the Maximum Additional Amount (k) (as specified in the Annex to this Summary).]</p> <p>Redemption</p> <p>The Securities will be redeemed on the Maturity Date (as defined in C.16) at the Redemption Amount (the "Redemption Amount"). The Redemption Amount is equal to the Nominal Amount x (Floor Level + Final Participation Factor x (Performance of the Underlying - Final Strike Level)). The Redemption Amount shall not be less than the Minimum Amount [<i>In the case of Garant Performance Telescope Cap Basket Securities, the following applies:</i> and shall not be greater than the Maximum Amount].]</p> <p>The Floor Level, the Final Participation Factor, the Final Strike Level[,] [and] the Minimum Amount [and the Maximum Amount] are specified in the Annex to this Summary.]</p> <p><u>[Product Type 26: In the case of Securities linked to Target Vol Basket Strategies, insert:</u></p> <p>The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy (the "Level of the Target Vol Strategy"), which is linked to the performance of the Underlying and the Reference Rate under consideration of a Dynamic Weighting and certain fees. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.</p> <p>Redemption on the Maturity Date (as defined in C.16) depends on the performance of the Level of the Target Vol Strategy. The Dynamic Weighting (the "Dynamic Weighting") depends on the volatility of the Underlying relative to the Target Volatility. The Reference Rate is taken into account with a weight at the difference between 100% and the Dynamic Weighting. Generally speaking [(without considering the deduction of fees)]: If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight, and the Reference Rate is taken into account with a positive weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight, and the Reference Rate is taken into account with a negative weight. The Security Holder participates in the performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Security Holder receives at least the</p>
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	<p>Minimum Amount. [The Minimum Amount is less than the Nominal Amount.]</p> <p>The Securities are redeemed on the Maturity Date by payment of the Redemption Amount (the "Redemption Amount"). The Redemption Amount is equal to the Nominal Amount x (Floor Level + Participation Factor x (R (final) / R (initial) – Strike)).</p> <p>The Redemption Amount is not less than the Minimum Amount.</p> <p>Floor Level, Maximum Weight, Minimum Amount, Minimum Weight, Participation Factor, [R (initial),] Reference Rate, Strike and Target Volatility are specified in the Annex to this Summary.</p> <p>["R (initial)"] means the [arithmetic average of the] Level[s] of the Target Vol Strategy on the Initial Observation Date[s] (as defined in C.16.) R (final) is defined in C.19.]]</p> <p><u>[Product Type 27: In the case of Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out, the following applies:</u></p> <p>The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy (the "Level of the Target Vol Strategy"), which is linked to the performance of the Underlying and the Reference Rate under consideration of a Dynamic Weighting and certain fees. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.</p> <p>Redemption on the Maturity Date (as defined in C.16) depends on the performance of the Level of the Target Vol Strategy. The Dynamic Weighting (the "Dynamic Weighting") depends on the volatility of the Underlying relative to the Target Volatility. Generally speaking [(without considering the deduction of fees)]: If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight. The Security Holder participates in the performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Security Holder receives at least the Minimum Amount. [The Minimum Amount is less than the Nominal Amount.]</p> <p>The Securities are redeemed on the Maturity Date by payment of the Redemption Amount (the "Redemption Amount"). The Redemption Amount is equal to the Nominal Amount x (Floor Level + Participation Factor x (Modified Average Performance – Strike)).</p> <p>The Redemption Amount is not less than the Minimum Amount.</p> <p>Modified Average Performance is the arithmetic average of the quotients of R (l) as nominator and R (initial) as denominator provided that quotients are only considered in the calculation of the arithmetic average with not less than the value of the respective Local Floor (l) [and with not more than the value of the respective Local Cap (l)].</p> <p>Floor Level, Maximum Weight, Minimum Amount, Minimum Weight, Participation Factor, [R (initial),] Strike, Target Volatility[, Local Cap (l)] and Local Floor (l) are specified in the Annex to this Summary.</p>
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	<p>["R (initial)"] means the [arithmetic average of the] Level[s] of the Target Vol Strategy on the Initial Observation Date[s] (as defined in C.16).] R (l) is the Level of the Target Vol Strategy on the Observation Date (l) (as specified in the Annex to this Summary).]</p> <p><u>[Product Type 28: In the case of Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out, the following applies:</u></p> <p>The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy (the "Level of the Target Vol Strategy"), which is linked to the performance of the Underlying and the Reference Rate under consideration of a Dynamic Weighting and certain fees. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.</p> <p>Redemption on the Maturity Date (as defined in C.16) depends on the performance of the Level of the Target Vol Strategy. The Dynamic Weighting (the "Dynamic Weighting") depends on the volatility of the Underlying relative to the Target Volatility. Generally speaking [(without considering the deduction of fees)]: If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight. The Security Holder participates in the performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Security Holder receives at least the Minimum Amount. [The Minimum Amount is less than the Nominal Amount.]</p> <p>The Securities are redeemed on the Maturity Date by payment of the Redemption Amount (the "Redemption Amount"). The Redemption Amount is equal to the Nominal Amount x (Floor Level + Participation Factor x (Modified Average Performance – Strike)).</p> <p>Modified Average Performance is the arithmetic average of the quotients of R (l) as nominator and R (initial) as denominator provided that quotients are only considered in the calculation of the arithmetic average with not less than the value of the respective Local Floor (l) [and with not more than the value of the respective Local Cap (l)].</p> <p>The Redemption Amount is not less than the Minimum Amount.</p> <p>Floor Level, Maximum Weight, Minimum Amount, Minimum Weight, Participation Factor, [R (initial),] Strike, Target Volatility[, Local Cap (l)] and Local Floor (l) are specified in the Annex to this Summary.</p> <p>["R (initial)"] means the [arithmetic average of the] Level[s] of the Target Vol Strategy on the Initial Observation Date[s] (as defined in C.16).] R (l) is the Level of the Target Vol Strategy on the Observation Date (l) (as specified in the Annex to this Summary).]</p> <p><u>[In the case of Quanto Securities on a single underlying, insert:</u></p> <p>The Securities are issued as Quanto Securities. Quanto Securities are Securities where the currency relating to the Underlying (the "Underlying Currency") is not the same as the Specified Currency and where a currency protection element is provided. In the case of Quanto Securities, one unit of</p>
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		<p>the Underlying Currency is equal to one unit of the Specified Currency.]</p> <p><i>[In the case of Quanto Securities on a basket, insert:</i></p> <p>The Securities are issued as Quanto Securities. Quanto Securities are Securities where the currency of the Basket Components (as defined in C.20) is not the same as the Specified Currency and where a currency protection element is provided. In the case of Quanto Securities, one unit of the currency of the Basket Components is equal to one unit of the Specified Currency.]</p> <p><i>[In the case of Compo Securities, insert:</i></p> <p>The Securities are issued as Compo Securities. Compo Securities are Securities where the currency relating to the Underlying (the "Underlying Currency") is not the same as the Specified Currency and where no currency protection element is provided. The Security Holder consequently bears the full exchange rate risk during the term.]</p>
[C.16 ¹¹	The expiration or maturity date of the derivative securities – the exercise date or final reference date	<p>["Final Observation Date[s]" [,]["First Day of the Best-out Period"]["First Day of the Worst-out Period"] and the] "Maturity Date" [are][is] specified in the Annex to this Summary.]</p> <p>["Exercise Date" means the [last] Final Observation Date.]</p> <p><i>[In the case of Securities with a Best-out feature, the following applies:</i></p> <p>"Best-out Period" means <i>[Insert relevant day(s)]</i> from the First Day of the Best-out Period (inclusive) and the Final Observation Date (inclusive).]</p> <p><i>[In the case of Securities with a Worst-out feature, the following applies:</i></p> <p>"Worst-out Period" means <i>[Insert relevant day(s)]</i> between the First Day of the Worst-out Period (including) and the Final Observation Date (including).]</p> <p>[The "Interest Payment Date[s]" [is] [are] [specified in the table in the Annex to this summary] [<i>[Insert day and month(s)]</i> in each year] [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. The last Interest Payment Date means the Interest End Date. First Interest Payment Date and Interest End Date are specified in the table in the Annex to this summary].]</p> <p>[Interest Payment Dates may be subject to postponements.]]</p>
[C.17 ¹²	Settlement procedure of the securities	<p>All payments shall be made to <i>[Insert name and address of paying agent]</i> (the "Principal Paying Agent"). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Security Holders.</p> <p>The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such payment.</p> <p>"Clearing System" means <i>[Insert]</i>.</p>

¹¹ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

¹² This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

<p>[C.18 13</p>	<p>Description of how any return on derivative securities takes place</p>	<p>See also Element C. 15 above.</p> <p>[Payment of the Interest Amount on each Interest Payment Date.]</p> <p><u>[In the case of Garant Telescope Securities, Geoscope Securities and Garant Coupon Geoscope Securities insert:</u></p> <p>Payment of the Additional Amount (k) on the Additional Amount Payment Date (k).]</p> <p>[Payment of the Redemption Amount on the Maturity Date [upon automatic exercise].]</p> <p><u>[In the case of Garant Telescope Securities, Geoscope Securities, Garant Digital Coupon, Garant Digital Cliquet and Garant Coupon Geoscope Securities insert:</u></p> <p>The Securities will be redeemed on the Maturity Date at the Redemption Amount in the Specified Currency.</p> <p>The "Redemption Amount" is equal to the Minimum Amount.</p> <p>The "Minimum Amount" is defined in the Annex to this Summary.]]</p>
<p>[C.19 14</p>	<p>Exercise price or final reference price of the underlying</p>	<p><u>[In the case of Securities with a final Reference Price observation, the following applies:</u> "R (final)" means [the value of the product of] [the Reference Price (as defined in the Annex to this Summary)] [and][FX] [and Reference Price Adjustment Factor] on the Final Observation Date.]</p> <p><u>[In the case of Securities with a final average observation, the following applies:</u> "R (final)" means the equally weighted average (arithmetic average) of [the products of] of [the Reference Prices (as defined in Annex to this Summary)] [and] [FX] [and Reference Price Adjustment Factor], specified on the Final Observation Dates (as defined in C.16).]</p> <p><u>[In the case of Securities with a [Best-out] [Worst-out] observation, the following applies:</u></p> <p>"R (final)" means the [highest][lowest] [value of the Product of] [[Reference Price (as defined in Annex to this Summary)] [and] [FX] [on] [each of the Final Observation Dates] [each relevant day [between the First Day of the [Best][Worst]-out-Period (including) (as specified in the Annex to this Summary) and the Final Observation Dates (including)] [during the Best-out Period]] [value of the product of Reference Price and Reference Price Adjustment Factor during the Best-out Period].]</p> <p><u>[In the case of All Time High Garant [Cap] Securities, the following applies:</u></p> <p>"R (final)_{best}" means the highest Reference Price [of the Reference Prices determined on each of the Final Observation Dates] [of the Reference Prices determined on each Relevant Observation Date (final) between the First Day of the Best out-Period (inclusive) and the [last] Final Observation Date (inclusive)]. [Relevant Observation Date (final) is [insert definition of Relevant Observation Date (final)].]</p>

¹³ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

¹⁴ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

The "**Reference Price Adjustment Factor**" is a factor determined by the Calculation Agent. Its purpose is to take into account distributions made by the Underlying (after deduction of tax or other duties, retention, deductions or other charges) when calculating the Redemption Amount. The method used to determine the Reference Price Adjustment Factor is specified in the Final Terms.]

[In the case of Securities with a final Reference Price observation, the following applies:

"**K_i (final)**" means the [Reference Price of the Basket Component_i] [and] [FX_i] specified on the Final Observation Date[s].]

[In the case of Securities with a final average observation, the following applies:

"**K_i (final)**" means the equally weighted average (arithmetic average) of [the Reference Prices (as defined in Annex to this Summary)] [and] [FX] specified on the Final Observation Date[s].]

[In the case of Securities with a [Best-out] [Worst-out] observation, the following applies:

"**K_i (final)**" means the [highest][lowest][value of the Product of] [Reference Price (as defined in Annex to this Summary)] [and] [FX] on [each of the Final Observation Dates] [each relevant day (as specified in the Annex to this Summary) between the First Day of the [Best] [Worst]-out-Period (including) (as specified in the Annex to this Summary) and the Final Observation Dates (including)].]

[In the case of Garant [Cap] Rainbow Securities with a final average observation, the following applies:

"**K_{i best} (final)**" means K_i (final) of the Basket Component_{i best} (as specified in the Annex to this Summary).]

[

Basket Component _i	Reference Price _i
[Insert]	[Insert]

]

[In the case of Garant Fund Basket Securities, the following applies:

ISIN	Basket Component _i	Reference Price _i
[Insert]	[Insert]	[Insert]

[

[In the case of Securities with final reference price observation, the following applies:

"**K_i (final)**" means the Reference Price of the Basket Component_i on the Final Observation Date (as defined in C.16).]

[In the case of Securities with final average observation, the following applies:

"**K_i (final)**" means the equally weighted average (arithmetic average) of the

		<p>Reference Prices of the Basket Component_i, determined on the Final Observation Dates (as defined in C.16).]</p> <p><u>[In the case of Securities with Best-out observation, the following applies:</u> "K_i (final)" means the highest Reference Price of the Basket Component_i during the Best-out Period.]</p> <p><u>[In the case of Garant Fund Rainbow Securities, the following applies:</u></p> <table border="1" data-bbox="500 428 1390 573"> <thead> <tr> <th data-bbox="500 428 797 520">ISIN</th> <th data-bbox="797 428 1094 520">Basket Component_i</th> <th data-bbox="1094 428 1390 520">Reference Price_i</th> </tr> </thead> <tbody> <tr> <td data-bbox="500 520 797 573">[Insert]</td> <td data-bbox="797 520 1094 573">[Insert]</td> <td data-bbox="1094 520 1390 573">[Insert]</td> </tr> </tbody> </table> <p>]</p> <p><u>[In the case of Securities with final reference price observation, the following applies:</u> "K_{i best} (final)" means the Reference Price of the Basket Component_{i best} on the Final Observation Date (as defined in C.16).]</p> <p><u>[In the case of Securities with final average observation, the following applies:</u> "K_{i best} (final)" means the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_{i best}, determined on the Final Observation Dates (as defined in C.16).]</p> <p><u>[In the case of Securities with Best-out observation, the following applies:</u> "K_{i best} (final)" means the highest Reference Price of the Basket Component_{i best} during the Best-out Period.]</p> <p><u>[In the case of Securities linked to Target Vol Strategies and Securities linked to Basket Target Vol Strategies, the following applies:</u></p> <table border="1" data-bbox="500 1188 1390 1333"> <thead> <tr> <th data-bbox="500 1188 797 1281">ISIN</th> <th data-bbox="797 1188 1094 1281">[Basket Component_i] [Underlying]</th> <th data-bbox="1094 1188 1390 1281">Reference Price_i</th> </tr> </thead> <tbody> <tr> <td data-bbox="500 1281 797 1333">[Insert]</td> <td data-bbox="797 1281 1094 1333">[Insert]</td> <td data-bbox="1094 1281 1390 1333">[Insert]</td> </tr> </tbody> </table> <p>"R (final)" means [the arithmetic average of] the Level[s] of the Target Vol Strategy on the Final Observation Date[s].</p> <p>]</p> <p>["R(k-1) " means, for each Observation Date (k), the Reference Price on the Observation Date preceding that Observation Date (k). For R (k) (where k = 1), R (k-1) is equal to R (initial).]</p> <p>]</p>	ISIN	Basket Component _i	Reference Price _i	[Insert]	[Insert]	[Insert]	ISIN	[Basket Component _i] [Underlying]	Reference Price _i	[Insert]	[Insert]	[Insert]
ISIN	Basket Component _i	Reference Price _i												
[Insert]	[Insert]	[Insert]												
ISIN	[Basket Component _i] [Underlying]	Reference Price _i												
[Insert]	[Insert]	[Insert]												
[C.20 ¹⁵	Type of the underlying and description where	[Descriptions of the Underlying are specified in Annex to this Summary. For further information about the past and the future performance of the Underlying and its volatility, please refer to the [Website][FX Screen Page]												

¹⁵ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying as well as to Garant Cliquet Securities, Garant Cash Collect Securities, Garant Digital Coupon Securities, Garant Digital Cliquet Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities with Minimum Amount less than 100% of the Nominal Amount due to the Terms and Conditions.

information on the underlying can be found	(or any successor website), as specified in the Annex to this Summary.]				
	["Underlying" means a basket with the following basket components (the "Basket Components"):				
	ISIN: <i>[Insert]</i>				
	[Weighting (W_i)]	Basket Component_i	[Bloomberg]	[Currency of the Basket Components_i]	Website_i
<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	
For further information about the past and the future performance of the Basket Components and their volatility, please refer to the [Website _i] [FX Screen Page _i], as specified in the table above (or any successor website).]]					

D. RISKS

D.2	Key information on the key risks that are specific to the Issuer [and the Guarantor]	<p><i>[In the case of Securities issued by UniCredit International Luxembourg, the following applies:</i></p> <p>In purchasing Securities, investors assume the risk that the Issuer and the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Securities. There is a wide range of factors which individually or together could result in the Issuer and the Guarantor becoming unable to make all payments due in respect of the Securities. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer and the Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's and the Guarantor's control. The Issuer and the Guarantor have identified a number of factors which could materially adversely affect their businesses and ability to make payments due under the Securities. These factors include:</p> <ul style="list-style-type: none"> • risks connected with the Strategic Plan; • risks associated with the impact of the current macroeconomic uncertainties and the volatility of the markets on the Group's performance; • risks connected with the volatility of markets on the performance of the Group; • risks connected with the Group's activities in different geographical areas; • credit risk and risk of credit quality deterioration; • risks related to the income results of the Group for the years ended 31 December 2016; • risks associated with forbearance on non-performing loans; • risks associated with UniCredit's participation in the Atlante fund and the Atlante II fund; • risks associated with the Group's exposure to sovereign debt;
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		<ul style="list-style-type: none"> • liquidity risk; • risks related to intra-group exposure; • market risks; • risks connected with interest rate fluctuations; • risks connected with exchange rates; • risks associated with borrowings and evaluation methods of the assets and liabilities; • risks related to deferred taxes; • risks connected with the interests in the capital of the Bank of Italy; • counterparty risk in derivative and repo operations; • risks connected with exercising the Goodwill Impairment Test and losses in value relating to goodwill; • risks connected with existing alliances and joint ventures; • risks connected with the performance of the property market; • risks connected with pensions; • risks connected with risk monitoring methods and the validation of such methods; • risks relating to the IT systems management; • risks connected with non-banking activities; • risks connected with legal proceedings in progress and supervisory authority measures; • risks arising from tax disputes; • risks related to international sanctions with regard to sanctioned countries and to investigations and/or proceedings by the U.S. authorities; • risks connected with the organizational and management model pursuant to Legislative Decree 231/2001 and the accounting administrative model pursuant to Law 262/2005; • risks connected with Alternative Performance Indicators; • risks connected with operations in the banking and financial sector; • risks connected with the entry into force of new accounting principles and changes to applicable accounting principles; • risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union (Brexit); • the implementation of Basel III and CRD IV; • forthcoming regulatory changes; • ECB Single Supervisory Mechanism; • The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of any Securities and/or the rights of Security Holders;
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	<ul style="list-style-type: none"> • Implementation of BRRD in Luxembourg; • as of 2016 the UniCredit Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism; • the UniCredit Group may be subject to a proposed EU regulation on mandatory separation of certain banking activities; • the UniCredit Group may be affected by a proposed EU Financial Transactions Tax; and • any rating downgrades of UniCredit or other entities of the Group would increase the re-financing costs of the Group and may limit its access to the financial markets and other sources of liquidity.] <p><i>[In the case of Securities issued by HVB, the following applies:</i></p> <p>Potential investors should be aware that in the case of the occurrence of one of the below mentioned risk factors the Securities may decline in value and that they may sustain a total loss of their investment.</p> <ul style="list-style-type: none"> • Macroeconomic Risk Risks from a deterioration in the macroeconomic development and/or the financial markets and from geopolitical uncertainties. • Systemic Risk Risks from disruptions or the functional collapse of the financial system or parts of it. • Credit Risk (i) Risks from changes in the credit rating of a contracting party (borrower, counterparty, issuer or country); (ii) risks from a deterioration of the overall economic situation and negative effects on the demand for credit and the solvency of the borrowers of HVB Group; (iii) risks from a decrease in value of credit collateral; (iv) risks from derivative/trading business; (v) risks from intra-Group credit exposures; (vi) risks from exposures to sovereigns/public sector. • Market Risk (i) Risk for trading and banking books from a deterioration in market conditions; (ii) interest rate and foreign currency risk. • Liquidity Risk (i) Risk that HVB Group will not be able to meet its payment obligations in full or on time; (ii) risks from the procurement of liquidity; (iii) risks from intra-Group liquidity transfers; (iv) market liquidity risk. • Operational Risk (i) Risk of losses resulting from flawed internal processes or systems, human error or external events; (ii) IT risks; (iii) compliance risk; (iv) legal and tax risks. • Business Risk Risks of losses arising from unexpected negative changes in the business volume and/or margins. • Real estate Risk Risk of losses resulting from changes in the fair value of the real estate
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		<p>portfolio of HVB Group.</p> <ul style="list-style-type: none"> • Financial investment Risk <p>Risk of decreases in the value of the investment portfolio of the HVB Group.</p> <ul style="list-style-type: none"> • Reputational Risk <p>Risk of a negative effect on the income statement caused by adverse reactions by stakeholders due to a changed perception of HVB Group.</p> <ul style="list-style-type: none"> • Strategic Risk <p>(i) Risk that results from management being slow to recognise important developments in the banking sector or drawing false conclusions about these trends; (ii) risks arising from the strategic orientation of HVB Group's business model; (iii) risks arising from the consolidation of the banking market; (iv) risks arising from changing competitive conditions in the German financial sector; (v) risks arising from a change in HVB's rating.</p> <ul style="list-style-type: none"> • Regulatory Risks <p>(i) Risks arising from changes to the regulatory and statutory environment of HVB Group; (ii) risks in connection with potential resolution measures or a reorganisation proceeding.</p> <ul style="list-style-type: none"> • Pension Risk <p>Risk that the pension provider will have to provide additional capital to service the vested pension commitments.</p> <ul style="list-style-type: none"> • Risks arising from outsourcing activities <p>Cross-risk-type, which affects the following risk types in particular: operational risk, reputational risk, strategic risk, business risk, credit, market and liquidity risk.</p> <ul style="list-style-type: none"> • Risks from concentrations of risk and earnings <p>Risks from concentrations of risk and earnings indicate increased potential losses and represent a business-strategy risk for HVB Group.</p> <ul style="list-style-type: none"> • Risks from the stress testing measures imposed on HVB Group <p>The business performance of HVB and HVB Group could be negatively affected in case of a poor stress test performance by HVB, HVB Group, UniCredit or one of the financial institutions with which they do business.</p> <ul style="list-style-type: none"> • Risks from inadequate risk measurement models <p>It is possible that the internal models of HVB and HVB Group could be rated as inadequate following investigations or verification through the regulatory authorities, or that they could underestimate existing risks.</p> <ul style="list-style-type: none"> • Unidentified/unexpected risks <p>HVB and HVB Group could incur greater losses than those calculated with the current risk management methods or losses previously left out of its calculations entirely.]</p>
[D.3 ¹⁶	Key information on the key risks	In the opinion of the Issuer, the key risks described below may, with regard to the Security Holder, adversely affect the value of the Securities and/or the amounts to be distributed (including the delivery of any quantity of

¹⁶ This Element is only applicable to Securities, where the Redemption Amount is not linked to an Underlying and the Issuer is obliged to pay the Security Holders at least 100% of the Nominal Amount due to the Terms and Conditions.

	<p>that are specific to the securities</p>	<p>Underlyings or its components to be delivered) under the Securities and/or the ability of Security Holders to sell the Securities at a reasonable price prior to the maturity date of the Securities.</p> <ul style="list-style-type: none"> • Potential conflicts of interest <p>The risk of conflicts of interest (as described in E.4) is related to the possibility that the Issuer,[the Guarantor,] distributors or agents or any of their affiliates, in relation to certain functions or transactions, may pursue interests which may be adverse to or do not regard the interests of the Security Holders.</p> <ul style="list-style-type: none"> • Key risks related to the Securities <p><i>Key risks related to the market</i></p> <p>Under certain circumstances a Security Holder may not be able to sell his Securities at all or at an adequate price prior to their redemption.</p> <p>The market value of the Securities will be affected by the creditworthiness of the Issuer and a number of other factors (e.g., exchange rates, prevailing interest and yield rates, the market for similar securities, the general economic, political and cyclical conditions, the tradability of the Securities and Underlying-related factors) and may be substantially lower than the Nominal Amount or the Purchase Price.</p> <p>Security Holders may not rely on being able to sufficiently hedge against price risks arising from the Securities at any time.</p> <p><i>Key risks related to the Securities in general</i></p> <p>The Issuer may possibly fail to perform its obligations under the Securities in whole or in part, e.g., in case of an insolvency of the Issuer or due to governmental or regulatory interventions. Such risk is not protected by a deposit protection scheme or any similar compensation scheme.</p> <p>An investment into the Securities may be illegal or unfavourable for a potential investor or not suitable, with regard to his knowledge or experience and his financial needs. The real rate of return of an investment into the Securities may be reduced or may be zero or even negative (e.g., due to incidental costs in connection with the purchase, holding and disposal of the Securities, future money depreciation (inflation) or tax effects). The redemption amount may be less than the Issue Price or the respective purchase price and, under certain circumstances, no interest or ongoing payments will be made.</p> <p>The proceeds from the Securities may possibly not be sufficient to make interest or principal payments arising from a financing purchase of the Securities and require additional capital.</p> <p><i>[Risks related to Securities with fixed rate</i></p> <p>The Security Holder of a Security with fixed rate is exposed to the risk that the price of such Security falls as a result of changes in the market interest rate.]</p> <p><i>Risks related to Underlying-linked Securities</i></p> <p>(i) Risks arising from the influence of the Underlying on the market value of the Securities; (ii) risks arising from absent ongoing distributions; (iii) risks arising from the fact that the valuation of the Underlying or a Basket Component occurs only at a specified date or point in time; (iv) risks due to only partial capital protection by the Minimum Amount; (v) risks arising from the impact of thresholds or limits; (vi) risks in relation to a</p>
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	<p>Participation Factor; (vii) risks relating to a Strike Level, Final Strike Level and/or a Strike; (viii) risks due to a limitation of potential returns to a Maximum Amount or due to other limitations; (ix) specific risks in respect of Performance Telescope Securities and Garant Telescope Securities; (x) specific risks in respect of Geoscope Securities; (xi) risks with reverse structures; (xii) risks with respect to several Underlyings or a basket of Underlyings; (xiii) risk of postponement or alternative provisions for the valuation of the Underlying or the Basket Components; (xiv) currency risk with respect to the Underlying or the Basket Components; (xv) risks in relation to Adjustment Events; (xvi) risk of Market Disruptions; (xvii) risk of regulatory consequences to investors when investing in Underlying-linked Securities; (xviii) risks arising from negative effects of hedging arrangements by the Issuer on the Securities; (xix) risks arising from the Issuer's Conversion Right; (xx) risks related to a target volatility strategy (xxi) risks related to Adjustment Events and (xxii) risks related to Market Disruption Events.</p> <p>• Key risks related to the Underlying or its components</p> <p><i>General risks</i></p> <p>(i) Risks arising from the volatility of the value of the Underlying and risk due to a short history; (ii) risks arising from Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014; (iii) no rights of ownership in the Underlying or its constituents; (iv) risks associated with Underlyings subject to emerging market jurisdictions.</p> <p><i>[Key risks related to shares</i></p> <p>(i) Similar risks to a direct investment in shares; (ii) investors have no shareholder rights; (iii) risks associated with ADRs/RDRs]</p> <p><i>[Key risks related to indices</i></p> <p>(i) Similar risks to a direct investment in index components; (ii) no influence of the Issuer on the index; (iii) risks of unrecognised or new indices; (iv) risks arising from special conflicts of interests in relation to indices as Underlying; (v) risks in relation to strategy indices as Underlying; (vi) risks in relation to price indices as Underlying; (vii) risks in relation to net return indices as Underlying; (viii) risks in relation to short indices as Underlying; (ix) risks in relation to leverage indices as Underlying; (x) risks in relation to distributing indices as Underlying; (xi) risk of country or sector related indices; (xii) currency exchange risk contained in the index; (xiii) adverse effect of fees on the index level; (xiv) adverse effect of synthetic dividends on index level (xv) risks with respect to the publication of the index composition which is not constantly updated.]</p> <p><i>[Key risks related to futures contracts</i></p> <p>(i) risks related to futures contracts as standardised transactions; (ii) risk of futures contracts with different delivery dates; (iii) no parallel development of spot price and futures price; (iv) risks relating to a Roll-Over.]</p> <p><i>[Key risks related to commodities</i></p> <p>(i) Similar risks like a direct investment in commodities; (ii) higher risks than other asset classes; (iii) risks arising from price influencing factors;</p>
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	<p>(iv) risks arising from trading in various time zones and on different markets.]</p> <p>[Key risks related to exchange rates</p> <p>(i) Similar risks like a direct investment in exchange rates; (ii) no influence of the Issuer on the exchange rate; (iii) Special risks with respect to exchange rates or currencies.]</p> <p>[Key risks related to fund shares</p> <p>General Risks of fund shares as Underlying or as component(s) of an Underlying</p> <p>(i) Similar risks to a direct investment in fund shares; (ii) no rights of ownership of the Underlying or its components; (iii) no obligation to forward distributions; (iv) risks associated with Underlyings subject to emerging market jurisdictions.</p> <p>Structural risks in the case of fund shares as the Underlying or as components of an Underlying</p> <p>(i) Legal and tax risk; (ii) risks resulting from commissions and fees; (iii) risks resulting from a potential liquidation or merger; (iv) risks resulting from valuations of the net asset value and estimates; (v) potential lack of currentness of the performance; (vi) risks resulting from conflicts of interest of the persons involved; (vii) no passing on of rebates or other fees paid by the fund to the Issuer; (viii) political/regulatory risk; (ix) custody risks; (x) valuation risks; (xi) country or transfer risks; (xii) risks resulting from the possible effects of redemptions of fund shares; (xiii) specific risks affecting closed investment funds; (xiv) risks resulting from cross liabilities; (xv) risks with regard to public holidays.</p> <p>General risks from investment activities in the case of fund shares as the Underlying or as components of an Underlying</p> <p>(i) Market risks; (ii) currency risks; (iii) risks due to lack of liquidity of the assets and financial instruments purchased; (iv) counterparty risks; (v) settlement risks; (vi) concentration risks; (vii) risks arising from suspensions of trading.</p> <p>Specific risks relating to fund management in the case of fund shares as the Underlying or as components of an Underlying</p> <p>(i) Risks due to dependence on the fund managers; (ii) risks in the event of limited disclosure of investment strategies; (iii) risks due to possible changes of investment strategies; (iv) risks due to the agreement of performance bonuses; (v) risks due to "soft dollar" services; (vi) risks arising from misconduct by the fund managers; (vii) risks due to possible conflicts of interest.</p> <p>Specific risks arising from assets purchased in the case of fund shares as the Underlying or as components of the Underlying</p> <p>(i) General risks involved with investments in securities; (ii) specific risks involved with investments in stocks; (iii) specific risks involved with investments in interest-bearing financial instruments; (iv) specific risks involved with investments in assets with low credit ratings; (v) specific risks involved with investments in volatile and illiquid markets; (vi) specific risks involved with investments in derivatives; (vii) specific risks involved with investments in real estate and other tangible assets; (viii) specific risks involved with investments in commodities; (ix) specific risks involved with investments in precious metals; (x) specific risks involved</p>
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		<p>with investments in foreign currencies; (xi) specific risks involved with investments in other investment funds (Fund of Funds); (xii) specific risks involved with investing exclusively in another investment fund (Feeder Fund).</p> <p>Specific risks due to particular portfolio management techniques in the case of fund shares as the Underlying or as components of the Underlying</p> <p>(i) Risks of raising debt capital; (ii) risks involved with short sales; (iii) risks due to the use of trading systems and analytical models; (iv) risks involved with lending securities; (v) risks involved with entering into sale and repurchase transactions; (vi) specific investment risks involved with synthetic investment strategies; (vii) risks involved with entering into hedging transactions; (viii) specific risks involved with investments in emerging markets; (ix) specific risks associated with exchange traded funds ("ETFs").]</p>
[D.6 ¹⁷	Key information on the key risks that are specific to the securities	<p><i>[In the case Element D.3 is not applicable, the risk factors included in Element D.3 will be inserted here]</i></p> <p>Investors may lose the value of their entire investment or part of it.</p>

E. OFFER

[E.2b ¹⁸	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks	Not applicable; The Issuer is not bound regarding the use of the issue and offer proceeds.
E.3	Description of the terms and conditions of the offer	<p>[Day of the first public offer: <i>[Insert]</i>.]</p> <p>[Start of the new [public] offer: <i>[Insert]</i> [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]</p> <p>[The Securities will be [initially] offered during a Subscription Period[, and continuously offered thereafter].</p> <p>Issue Price: <i>[Insert]</i></p> <p>[A public offer will be made in [Germany][,] [and] [Austria][,] [and][Italy][,] [and] [France][,] [and] [Luxembourg].]</p> <p>[The smallest transferable [unit][amount] is <i>[Insert]</i>.]</p> <p>[The smallest tradable [unit][amount] is <i>[Insert]</i>.]</p> <p>The Securities will be offered to [qualified investors][,] [and/or] [retail investors] [and/or] [institutional investors] [by way of [private placements] [public offerings]] [by financial intermediaries].</p>

¹⁷ This Element is only applicable to Securities, where the Redemption Amount is linked to an Underlying.

¹⁸ This Element is only applicable to securities with a Nominal Amount of less than EUR 100,000.

	<p>[As of the [day of the first public offer] [start of the new public offer] the Securities described in the Final Terms will be offered on a continuous basis.]</p> <p>[The continuous offer will be made on current ask prices provided by the Issuer.]</p> <p>[The public offer may be terminated by the Issuer at any time without giving any reason.]</p> <p>[Not applicable. No public offer occurs.]</p> <p>[Subscription period: <i>[Insert first day of subscription period]</i> – <i>[Insert last day of subscription period]</i> [(<i>[Insert]</i> [p.m.] [a.m.] <i>[Insert]</i> local time)].]</p> <p>[Subscription orders are irrevocable [,] [except for provisions [in respect to the "door to door selling", in relation to which the subscription orders will be accepted starting from <i>[Insert first day of subscription period]</i> to <i>[Insert last day of door to door subscription period]</i>] [and] [in respect to the "long distance technique selling", in relation to which subscription orders will be accepted starting from <i>[Insert first day of subscription period]</i> to <i>[Insert last day of long distance technique selling subscription period]</i>] – unless closed in advance and without previous notice –] and will be satisfied within the limits of the maximum number of Securities on offer.]</p> <p><i>[In the case of Securities being offered to Italian consumers, the following applies:</i></p> <p>The Securities can be placed by the relevant distributor through ["door to door selling" (through financial sales agents, pursuant to the articles 30 and 31 of the Italian Legislative Decree 24 February 1998, n. 58)] [or] ["long distance technique selling" (pursuant to the article 67-duodecies, Par. 4 of the Italian Legislative Decree 6 September 2005, n. 206)]. Therefore, the effects of the subscription agreements will be suspended [for seven days, with reference to those "door to door selling" [,] [and] [for fourteen days, with reference to "long distance technique selling"], from the date of the subscription by the investors. Within such terms, the investor can withdraw by means of a notice to the financial promoter or the distributors without any liability, expenses or other fees according to the conditions indicated in the subscription agreement.]]</p> <p><i>[In the case of Securities being offered to Italian consumers, the following applies:</i></p> <p>The [Issuer] [relevant distributor] is the intermediary responsible for the placement of the Securities ("<i>Responsabile del Collocamento</i>"), as defined in article 93-bis of the Italian Legislative Decree 24 February 1998, n. 58 (as subsequently amended and supplemented).</p> <p>No specific allocation method is established. Subscription requests shall be satisfied by the relevant office in a chronological order and within the limits of the available amount.]</p>
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E.4	Any interest that is material to the issue/offer including conflicting interest	<p>Any of the relevant distributors and/or their affiliates may be customers of, and borrowers from the Issuer or [the Guarantor and their][its] affiliates. In addition, any of such distributors and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer or [the Guarantor and their][its] affiliates in the ordinary course of business.</p> <p>[[The Issuer, [the Guarantor,] and the relevant distributor have a conflict of interest with the Security Holder with regard to the offer of the Securities, due to their respective roles in the issue and offer of the Securities and as they both belong to the same UniCredit Banking Group.] [In particular, [HVB][the relevant distributor] is also the arranger[[,]and] the swap counterparty[,]and the Calculation Agent] of the Securities.] [Moreover, the [Issuer] [relevant distributor] shall also act as the intermediary responsible for the placement of the Securities "Responsabile del Collocamento" (as defined by article 93-bis of the Italian Legislative Decree 24 February 1998, n. 58) of the Securities.]]</p> <p>[With regard to trading of the Securities the [Issuer][Guarantor][swap counterparty] has a conflict of interest being also the Market Maker on the [<i>Insert relevant regulated or equivalent market(s)</i>];] [moreover] [[T][t]he [<i>Insert relevant regulated or equivalent market(s)</i>] is organised and managed by [<i>Insert name</i>], a company in which UniCredit S.p.A. – [the Guarantor and] the Holding Company of UniCredit Bank AG as the Issuer – has a stake.] [The Issuer is also the arranger and the Calculation Agent of the Securities.] [The Issuer or any of its affiliates may act as a [swap counterparty,]calculation agent or paying agent.]</p> <p>[The relevant distributors will be paid aggregate commissions equal to [●] per cent. of the nominal amount of the Securities. Any relevant distributor and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their respective] affiliates in the ordinary course of business.]</p> <p>Besides, conflicts of interest in relation to the Issuer [the Guarantor] or the persons entrusted with the offer may arise for the following reasons:</p> <ul style="list-style-type: none"> • The Issuer specifies the Issue Price. • The Issuer and one of its affiliates act as Market Maker of the Securities (however, no such obligation exists). • distributors may receive inducements from the Issuer. • The Issuer, any relevant distributor and any of their affiliates act as Calculation Agent or Paying Agent in relation to the Securities. • From time to time, the Issuer[, the Guarantor], any relevant distributor, and any of their affiliates may be involved in transactions on their own account or on the account of their clients, which affect the liquidity or the price of the Underlying or its components. • The Issuer[, the Guarantor], any distributor, and any of their affiliates may issue securities in relation to the Underlying or its components on which already other securities have been issued.
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		<ul style="list-style-type: none"> • The Issuer[, the Guarantor], any distributor, and any of their affiliates may possess or obtain material information about the Underlying or its components (including publicly not accessible information) in connection with its business activities or otherwise. • The Issuer[, the Guarantor], any relevant distributor, and any of their affiliates may engage in business activities with the issuer of the Underlying or its components, its affiliates, competitors or guarantors. • The Issuer[, the Guarantor], any relevant distributor, and any of their affiliates may also act as a member of a syndicate of banks, as financial advisor or as bank of a sponsor or issuer of the Underlying or its components. <p>[The Issuer, [the Guarantor,] or one of [their][its] affiliates acts as index sponsor, index calculation agent, index advisor or index committee.]</p> <p>[In addition, the relevant distributor may receive from the Issuer an implied placement commission comprised in the Issue Price [<i>Insert</i>] [while the Issuer will receive an implied structuring commission and other charges.]</p> <p>[Other than as mentioned above,[and save for [●],] so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.]</p>
E.7	Estimated expenses charged to the investor by the Issuer or the distributor	<p>[Selling Concession: [An upfront fee in the amount of [<i>Insert</i>] is included in the Issue Price.] [<i>Insert details</i>]]</p> <p>[Other Commissions: [A total commission and concession of up to [●]% may be received by the distributors] [<i>Insert details</i>]]</p> <p>[Not applicable. No such expenses will be charged to the investor by the Issuer or a distributor. However, other charges like custody fees or transaction fees might be charged.]</p>

ANNEX TO THE SUMMARY

[WKN] [ISIN] [Common Code] [(C.1)]	[Reference Price [(C.10)] [(C.19)]	[Final Observati on Date[s] [(C.16)] [(C.19)]]	[Maturity Date [(C.8)] [(C.9)] [(C.16)]]	[Minimum Amount [(C.9)] [(C.15)]]	[k]	[Maximum Amount (C.15)]	[Underlying [(C.9)] [(C.15)] [(C.20)]]	[Website] [FX Screen Page] [(C.9)] [(C.20)]]	[Additional Amount Payment Dates (k) [(C.8)] [(C.10)] [(C.15)] [(C.18)]]	[Participation Factor [(C.10)] [(C.15)]]	[Participation Factor _{best} [(C.15)]]	[Final Participation Factor (C.15)]	[Initial Observati on Date[s] (C.10)]	[Observation Date [(k)](l) [(C.10)] [(C.15)] [(C.16)] [(C.19)]]	[Final Observati on Date[s] (C.19)]	[FX Exchange Rate (C.15)]	[Target Volatility (C.15)]
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert name of Underlying and ISIN]	[Insert]	[Insert name of Underlying and ISIN]	[Insert]	[Insert]	[Insert]	[Insert]		[Insert]	[Insert]	[Insert]	[Insert]	[Insert]
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert name of Underlying and ISIN]	[Insert]	[Insert name of Underlying and ISIN]	[Insert]	[Insert]	[Insert]	[Insert]		[Insert]	[Insert]	[Insert]	[Insert]	[Insert]

[WKN] [ISIN] [Common Code] [(C.1)]	[R (initial) [(C.10)] [(C.15)]]	[R (final) [(C.15)] [(C.19)]]	[R [(k)](k-1) [(C.10)] [(C.15)]]	[Strike k k-1] [Strike Level] [Final Strike Level] [(C.10)] [(C.15)]]	[Floor Level (C.15)]	[Maximum Additional Amount (k) [(C.10)] [(C.15)]]	[Minimum Additional Amount (k) [(C.10)] [(C.15)]]	[Reference Price Adjustment Factor (C.15)]	[Rebate Amount (C.15)]	[K _i (initial) [K _{best} (initial) (C.15)]	[Weighting [Weighting _{best} [Weighting _i (C.15)]	[Basket Components] [Basket Components] (C.15)]	[Barrier] [Barrier Level] (C.15)]	[Barrier Observati on Period (C.15)]	[Barrier Observati on Date (C.15)]	[First Day of the [Best-out Period] [Worst-out Period (C.16)]	[Best]-out-Period (C.15)]	[D (k) [(C.10)] [(C.15)]]
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]
[Insert]	[Insert]	[Insert]		[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]

[WKN] [ISIN] [Common Code] [(C.1)]	[Minimum Weight (C.15)]	[Maximum Weight (C.15)]	[Local Cap (I) (C.15)]	[Local Floor (I) (C.15)]	[First Day of the [Best] [Worst]- out Period (C.16)]	[Strike _{best} (C.15)]	[Interest Rate] [(C.9)]	[Interest Period] [(C.8)] [(C.9)]	[Interest Commencement Date] [(C.9)]	[Interest Payment Date[s]] [(C.8)] [(C.9)] [(C.16)]	[First Interest Payment Date] [(C.8)] [(C.9)] [(C.16)]	[Interest End Date] [(C.8)] [(C.9)] [(C.16)]					
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]					
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]					

RISK FACTORS

*The following is a disclosure of Risk Factors that, in the opinion of the Issuers and, if the Securities are Guaranteed Securities, of the Guarantor, are material with respect to the Issuers, the Guarantor and to the securities issued under this base prospectus (the "**Base Prospectus**") (the "**Securities**") in order to assess the risk associated with these Securities. Moreover, further risks that are currently unknown or currently believed to be not material may also have a negative impact on the value of the Securities. Potential investors should be aware that the Securities may decline in value and that the sum of amounts distributed under the Securities may be below the value that the respective Security Holder spent on the purchase of the Securities (including any Incidental Expenses) (the "**Purchase Price**"). As a result, the respective Security Holder may sustain a **partial loss** (e.g. in the case of an unfavourable performance of the Underlying or its components) or a **total loss** (e.g. in the case of a substantially unfavourable performance of the Underlying or of an insolvency of the Issuers or, if the Securities are Guaranteed Securities, of the Guarantor) of his or her investment.*

*The Base Prospectus, including these Risk Factors, and the relevant final terms of the Securities (the "**Final Terms**") do not replace a professional consultation with a potential investor's house bank or financial adviser. However, potential investors should carefully consider these Risk Factors before making a decision to purchase any Securities in any case.*

Each of the Issuers and, if the Securities are Guaranteed Securities, the Guarantor believe that the factors described below represent the material risks inherent in investing in Securities issued under this Base Prospectus, but the inability of the Issuers or the Guarantor to pay interest, principal or other amounts on or in connection with any Securities may occur for other reasons. The Issuers and the Guarantor have identified in this Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due under the Securities.

*Potential investors should consider all information provided in (a) this Base Prospectus and in any supplements thereto, (b) the registration document of UniCredit Bank AG dated 21 April 2017 (the "**Registration Document**"), the information of which is incorporated herein by reference, (c) all documents the information of which is incorporated in the Base Prospectus by reference, and (d) the relevant Final Terms. An investment in the Securities is only suitable for highly sophisticated investors, who understand the nature of such Securities and the extent of the incorporated risk 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. Furthermore, potential investors should be aware that the risks described below may arise separately or cumulatively in combination with other risks and may possibly have mutually reinforcing effects. The order of the risks described below does not imply any statement about the likelihood of occurrence of each risk or the degree of influence of such risk factor on the value of the Securities.*

*"**Security Holder**" means the holder of a Security.*

In the opinion of the Issuer, the significant risks described below may adversely affect the value of the Securities and/or the amounts to be distributed under the Securities and/or the ability of Security Holders to sell the Securities at a reasonable price prior to the maturity date of the Securities:

A. RISKS RELATED TO HVB

Potential investors should consider the information within the section entitled "Risk Factors" of the Registration Document, which is incorporated herein by reference as set out on page 484. This section contains information on risks which may affect the assets, liabilities and the financial position of HVB and its ability to fulfil its obligations arising from the Securities.

B. RISKS RELATED TO UNICREDIT INTERNATIONAL LUXEMBOURG AND THE GUARANTOR

Potential investors should consider the information within the section entitled "Risk Factors" of the EMTN Programme, which is incorporated herein by reference as set out on page 484. This section contains information on risks which may affect the assets, liabilities and the financial position of UniCredit International Luxembourg and the Guarantor and their ability to fulfil their obligations arising from the Securities.

C. RISKS RELATED TO POTENTIAL CONFLICTS OF INTEREST

1. General potential conflicts of interest

The Issuer, the Guarantor, a financial institution or a financial intermediary with whom the Issuer has entered into a distribution agreement (the "**Distributor**") (as defined below under "Potential conflicts related to other functions of the Issuer - calculation agent or paying agent") or any of their affiliates may, in connection with the below mentioned functions or transactions, as the case may be, pursue interests, which may be adverse to the interests of the Security Holders or do not take them into account (the "**Conflicts of Interest**").

Potential conflicts of interest related to the Issue Price

The Securities will be initially offered at a price determined by the Issuer (the "**Issue Price**"). The Issue Price is based on internal pricing models of the Issuer and may be higher than the market value of the Securities. The Issue Price may contain, beside upfront, management or other fees, an additional premium that may not be obvious to the Security Holders. Such an additional premium depends on several factors, particularly on the volume of the Securities of each series as well as current and expected market conditions and market outlooks as of the time of the issuance of the Securities. The premium will be added to the original mathematical value of the Securities and may differ between each issue of the Securities as well as from the premiums charged by other market participants.

Potential conflicts of interest related to market maker activities

The Issuer, the Guarantor, any of their affiliates and any other company that the Issuer has appointed as market maker (each a "**Market Maker**") may, but is not obliged to, undertake market making activities for the Securities. "**Market Making**" means that the Market Maker, under normal market conditions, continuously quotes bid and offer prices at which it is willing to trade the Securities in a certain volume. Through Market Making the liquidity and/or the value of the Securities may be influenced substantially. The prices quoted by a Market Maker may, to the detriment of the investor, substantially deviate from the mathematical (intrinsic) value of the Securities and usually do not correspond to the prices which would have been formed without Market Making and in a liquid market.

Potential conflicts of interest related to Distributors and inducements

Distributors may receive from the Issuer or its affiliates certain inducements in form of turnover-dependent placement- and/or management fees. Placement fees are one-off payments which, alternatively, may be granted by the Issuer in the form of an appropriate discount on the Issue Price. On the other hand, payment of management fees is recurring and dependant on the volume of the outstanding Securities at the given point in time placed by the relevant Distributor. The amount of the relevant inducement will be agreed between the Issuer and the relevant Distributor, may be subject to change and may differ with respect to the individual Distributor and Series of Securities.

Potential conflicts of interest related to the function as calculation agent or paying agent

The Issuer, any Distributor or any of their affiliates may act as a calculation agent or paying agent in relation to the Securities. In this function, the relevant entity may, *inter alia*, calculate amounts to be distributed under the Securities and make adjustments or other determinations, as described in the Final Terms, by i.e. exercising reasonable discretion (pursuant to § 315 et seq. German Civil Code, *Bürgerliches*

Gesetzbuch, "BGB"). The aforementioned calculations, adjustments and determinations may adversely influence the value of, and/or the amounts to be distributed under the Securities and may be adverse to the interests of the respective Security Holder.

2. Potential conflicts of interest related to Underlying-linked Securities

The Securities are linked to the performance of a single underlying or a basket (the "**Underlying**") or its components, as the case may be. In this context, the following additional conflicts of interest may exist:

Potential conflicts of interest related to additional transactions

The Issuer, any Distributor or any of their affiliates may from time to time, without regard to the interests of the Security Holders, participate in transactions involving shares or other securities, fund shares, future contracts, commodities, indices, currencies or derivatives for their own account or for the account of their customers. Additional transactions may result in further liquidity constraints of the Underlying or its components, in particular, following hedging transactions in Underlyings with an already restricted liquidity.

Potential conflicts of interest related to the issuance of additional securities linked to the same Underlying or to its components

The Issuer, any Distributor and any of their affiliates may issue securities with respect to the Underlying or its components on which securities already have been issued. This increases the offer and, therefore, may limit the possibility to trade the Securities in case of limited demand. An issuance of such new competing securities may, therefore, adversely affect the tradability of the Securities.

Potential conflicts of interest related to Underlying-related information

In the course of their business activities or otherwise, the Issuer, any Distributor or any of their affiliates may be in possession of or may acquire important Underlying-related information (also not publicly available) over the term of the Securities. The issuance of Securities does, in particular, not create any obligation to disclose such information (whether or not confidential), which is related to the Underlying or to its components, to the Security Holders, or to consider such information in the course of the issuance of the Securities.

Potential conflicts of interest related to business activities

The Issuer, any Distributor or any of their affiliates may, without regard to the interests of the Security Holders, deal with other issuers, any of their affiliates, competitors or any guarantor and engage in any kind of commercial or investment banking or other business activities. Any such action may, with respect to the Security Holders, adversely affect the price of the Underlying or its components.

Potential conflicts related to other functions of the Issuer and the Guarantor

The Issuer, the Guarantor, any Distributor and any of their affiliates may, without regard to the interests of the Security Holders, act as a member of a syndicate of banks, as financial advisor or as a bank of another issuer. In the course of the aforementioned functions actions may be taken or recommendations may be made which, with respect to the Security Holders, may adversely affect the Underlying or its components.

D. RISKS RELATED TO THE SECURITIES

1. Risks related to the market

Risk that no active trading market for the Securities exists

There is a risk that the Securities may not be widely distributed and no active trading market (the "**Secondary Market**") may exist or develop for the Securities.

The Issuer is not obliged to make applications for the Securities to be admitted to the regulated market of any stock exchange or to be listed on any other exchange, market or trading system within the European

Economic Area. Even if the Issuer makes such application, there is no assurance that such application will be accepted or that an active trading will develop or be maintained. If the Securities are not traded on any stock exchange or any other market or trading system, pricing information for the Securities may, in addition, be more difficult to obtain which may have a negative effect on the liquidity and the market prices of the Securities.

Neither the Issuer nor the Guarantor nor any Distributor or any of their affiliates is obliged to undertake any Market Making activities. There is also no obligation to appoint a Market Maker or to continue a Market Making during the whole term of the Securities. If there is no Market Maker, or Market Making is only made to a limited extent, the Secondary Market in the Securities may be very limited.

Neither the Issuer nor any Distributor can therefore assure that a Security Holder will be able to sell his or her Securities at an adequate price prior to their redemption.

Risk related to a possible repurchase of the Securities

The Issuer may, but is not obliged to, purchase Securities at any time and at any price in the open market, by tender offer or private agreement. Any Securities purchased in this way by the Issuer may be held, resold or cancelled. A repurchase of Securities by the Issuer may adversely affect the liquidity of the Securities.

Risk related to the offering volume

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 and thus on the liquidity of a potential Secondary Market.

Risks related to a sale of the Securities prior to the maturity date

Prior to the redemption of the Securities, the Security Holders may only be able to realise the value represented by the Securities through a sale of the Securities in the Secondary Market. The price at which a Security Holder may be able to sell his or her Securities may be substantially lower than the nominal amount or the Purchase Price. In the case of a sale of the Securities at a certain point of time at which the market value of the Securities is below the Purchase Price paid, the respective Security Holder will suffer a loss. In addition, costs associated with the sale of the Securities in the Secondary Market (e.g. order fees or trading venue fees) may increase the loss.

Risks related to factors influencing the market value

The market value of the Securities will be affected by a number of factors. These include the creditworthiness of the Issuer and the Guarantor, the relevant prevailing interest and yield rates, the market for similar securities, the general economic, political and cyclical conditions, the tradability and, if applicable, the remaining term of the Securities as well as additional Underlying-related factors influencing the market value (as described in *Risks arising from the influence of the Underlying or its components on the market value of the Securities*). These factors may be mutually reinforcing.

Risk related to the spread between bid and offer prices

During extraordinary market situations or the occurrence of technical disruptions, the Market Maker for the Securities may temporarily suspend the quotation of bid and offer prices for the Securities or increase the spread between bid and offer prices. Should the Market Maker in special market situations be unable to carry out transactions to hedge against price risks resulting from the Securities, or when such transactions are very difficult to carry out, the spread between the bid and offer prices may be expanded in order to limit its economic risk. As a consequence, Security Holders who sell their Securities on an exchange or directly among market participants via so-called over-the-counter dealings (off-exchange)

may only be able to do so at a price that is substantially lower than the mathematical (intrinsic) value of the Securities at the time of the sale and will therefore suffer a loss.

Currency and Currency Exchange Rate risk with respect to the Securities

If the Securities are denominated in a currency (the "**Specified Currency**") other than the currency of the jurisdiction where a Security Holder is domiciled or where the Security Holder seeks to receive funds, there is a Currency Exchange Rate risk (as described in *Currency Exchange Rate risk*). Currencies may also be devalued or replaced by a different currency whose development cannot be predicted.

Currency Exchange Rate risk

Exchange rates between currencies (the "**Currency Exchange Rates**") are determined by factors of supply and demand in the international currency markets and are influenced by macro-economic factors, speculations and interventions by the central banks and governments as well as by political factors (including the imposition of currency controls and restrictions). In addition, there are other factors (e.g. psychological factors) which are almost impossible to predict (e.g. a crisis of confidence in the political regime of a country) and which also may have a material impact on Currency Exchange Rate. Currencies may be very volatile. There may be an increased risk in connection with currencies of countries whose standard of development is not comparable to the standard of the Federal Republic of Germany or of other industrialised countries (the "**Industrialised Countries**"). In the event of any irregularities or manipulations in connection with the fixing of Currency Exchange Rates, this may have a material adverse effect on the Securities.

Risks related to hedging transactions with respect to the Securities

Security Holders may not rely on being able to sufficiently hedge against price risks arising from the Securities at any time. Their ability to make transactions to preclude or limit such price risks will depend on, *inter alia*, the relevant prevailing market conditions. In some cases, there may be no suitable transactions available at a certain point of time or Security Holders may carry out transactions only at a market price that is disadvantageous to them.

2. Risks related to the Securities in general

Credit risk of the Issuer

The Securities constitute unsecured obligations of the Issuer vis-à-vis the Security Holders. Any person who purchases the Securities therefore relies on the creditworthiness of the Issuer and has, in relation to his or her position under the Securities, no rights or claims against any other person. Security Holders are subject to the risk of a partial or total failure of the Issuer to fulfil obligations which the Issuer is liable to perform under the Securities in whole or in part, for example, in the event of the Issuer's insolvency. The worse the creditworthiness of the Issuer is, the higher is the risk of a loss. Such risk is not protected by any statutory deposit protection, the deposit protection scheme of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbandes deutscher Banken*), the Compensation Fund of German Banks (*Entschädigungseinrichtung deutscher Banken GmbH*) or any similar compensation scheme. **In the event of a realisation of the credit risk of the Issuer the Security Holder may sustain a total loss of his or her capital, even if the Securities provide for conditional minimum payment at their maturity.**

Possible limitations of the legality of purchase and lack of suitability of the Securities

There is a risk that an investment in the Securities is illegal, unfavourable or not suitable for a potential investor.

The purchase, holding and/or disposal of certain Securities may, for certain investors, be prohibited, limited or associated with adverse regulatory or other consequences. It cannot be ruled out that, *inter alia*, the specific investor is restricted or not entitled to invest in the Securities due to supervisory regulations or that the investment is attached to special reporting or notification requirements (e.g. with respect to certain funds).

Additionally, the purchase or holding of Securities may be excluded or unsuitable under civil law agreements (i.e. if eligibility as trustee stock (*Mündelsicherheit*) is required) or may not be fully consistent with all investment policies, guidelines and restrictions applicable to it.

An investment in the Securities requires detailed knowledge of the features of the relevant Security. Thus, potential investors should have experience with investing in structured securities and the risks associated therewith. An investment in the Securities is only suitable for investors who

- have sufficient knowledge and experience in financial and business affairs to evaluate the merits and risks as well as the suitability of an investment in structured securities;
- have the ability to evaluate the merits and risks in the context of their financial situation on the basis of appropriate analytical tools or, in case of lack of knowledge, have the possibility to take respective professional advice;
- are able to bear the economic risk of an investment in structured securities for an indefinite period, and
- are aware that it may, during a substantial period of time or even at all, not be possible to sell the Securities.

Under consideration of the characteristics of the Securities and the substantial risks inherent in purchasing the Securities, the Securities may also not be an economically appropriate investment.

As a result, each potential investor must determine, based on its own independent review and, if applicable, professional advice, if the purchase, holding and disposal of the Securities fully complies with the investor's legal requirements, knowledge and experience and financial needs, objectives and circumstances (or if the investor is acquiring the Securities in a fiduciary capacity, the trustee).

The Guarantee may be limited by applicable laws or subject to certain defences that may limit its validity and enforceability.

The Guarantee given by the Guarantor in respect of Securities issued by UniCredit International Luxembourg provides Security Holders with a direct claim against the Guarantor in respect of the relevant Issuers' obligations under the Securities. Enforcement of the Guarantee would be subject to certain generally available defences, which may include those relating to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or affecting the rights of creditors generally. If a court were to find the Guarantee given by the Guarantor void or unenforceable, then Security Holders would cease to have any claim in respect of the Guarantor and would be creditors solely of the Issuers.

Enforcement of the Guarantee is subject to the detailed provisions contained therein. Such provisions include certain limitations reflecting mandatory provisions of Italian laws, such as that the payment obligations of UniCredit S.p.A. under the Guarantee shall at no time exceed an amount determined by the Guarantor in the Guarantee (the "**Maximum Guaranteed Amount**"). In relation to the issuance of Securities such Maximum Guaranteed Amount is Euro 1,100,000,000. If the payment obligations of

UniCredit S.p.A. under this Guarantee were to exceed such Maximum Guaranteed Amount, any and each Security Holder's claim under the Guarantee, including any and each Security Holder's claim for which payment has been previously made under the Guarantee, will be reduced pro rata so that the aggregate amount of such liabilities will not exceed the Maximum Guaranteed Amount, and any and each Security Holder who previously received payment under the Guarantee of an amount that exceeds such pro rata amount will have to repay the excess amount to the Guarantor upon demand of the Guarantor. Therefore, a certain risk does exist that the Security Holder's claim against the Guarantor are reduced, to the effect that the Security Holder's claim is actually not fully guaranteed.

Risks arising from financial markets turmoil as well as governmental or regulatory interventions

Turmoil in the international financial markets may also in the future adversely affect inflation, interest rates, the Underlying and its components, the amounts to be distributed under the Securities or the value of the Securities and result in extensive governmental and regulatory interventions.

As a reaction to the financial market crisis which begun in 2007, the European Union and the German legislator enacted or planned several directives, regulations and laws which might affect the Security Holders. In particular, Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**Resolution Directive**") contains additional or amended regulatory provisions which may affect the Issuer and the Securities issued.

The Resolution Directive's provisions have already been implemented into German law (*BRRD-Umsetzungsgesetz*), providing as a key element a national law for the recovery and resolution of institutions and financial groups (German Recovery and Resolution Act, *Sanierungs- und Abwicklungsgesetz*). This is already in force and which enhances the former provisions contained in the German Banking Act (*Kreditwesengesetz*, the "**KWVG**"). Furthermore, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform mechanism for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (the "**SRM Regulation**"), whose provisions will mainly be applicable as of 1 January 2016 without further implementation into national law, provides certain resolution tools; these include a reduction of liabilities or their transformation into equity, a transfer of claims and/or liabilities of the affected institution or even a resolution of the affected institution. These resolution tools may have a substantial effect on the rights of the Security Holders and may have a material adverse effect on the enforcement of the Security Holders' claims. Instead of the respective national authority (or in case of a cross-border group resolution, the authority responsible for the group resolution), the board established with respect to a uniform resolution pursuant to Art. 42 SRM Regulation will execute tasks and exercise competences stipulated by the SRM Regulation. In particular, HVB may be subject to the following measures which might also affect the Security Holders.

HVB may be subject to a restructuring or reorganisation procedure pursuant to the German Act on the Reorganisation of Credit Institutions (*Kreditinstitute-Reorganisationsgesetz*, the "**KredReorgG**"). While a restructuring procedure generally may not interfere with rights of creditors, the reorganisation plan established under a reorganisation procedure may provide measures that affect the Security Holder's rights as the credit institution's creditor against its will, including a reduction of existing claims or a suspension of payments. The Security Holders' rights may be adversely affected by the reorganisation plan which might be adopted irrespective of their particular voting behaviour by a majority vote.

The German Recovery and Resolution Act and the SRM Regulation provide tools which enable the competent supervisory or resolution authorities to restructure or dissolve credit institutions and investment firms if there is a potential default risk regarding the respective credit institution or investment firm and provided that the default risk may not be prevented by other effective means and the application of the tool serves the public interest. These resolution tools, in accordance with the Resolution Directive,

include, among others, a "bail-in" instrument enabling the competent resolution authority to convert relevant capital instruments or certain eligible liabilities into shares or common capital tier 1 capital instruments or to write them down in whole or in part. By suspension, modification and termination (in whole or in part) of the rights under the Securities, the resolution tools may materially affect the rights of the Security Holders. The extent to which the claims resulting from the Securities forfeit due to the "bail-in" instrument depends on a number of factors on which HVB potentially has no influence.

If the resolution conditions are met, the competent resolution authority may as an alternative to a resolution issue a transfer order pursuant to which HVB would be forced to transfer its shares or assets and liabilities in whole or in part to a so-called bridge bank or an asset management company. In the context of a transfer order, HVB as initial debtor of the Securities may be replaced by another debtor (which may have a fundamentally different risk tolerance or creditworthiness from those of HVB's). Alternatively, the claims may remain towards the initial debtor, but the situation regarding the debtor's assets, business activity and/or creditworthiness may not be identical to the situation prior to the transfer order.

The German Act on the Ring-Fencing of Risks and for the Wind-Down of Credit Institutions and Financial Groups (*Gesetz zur Abschirmung von Risiken und zur Sanierung und Abwicklung von Kreditinstituten und Finanzgruppen - Trennbankengesetz*) incorporates provisions into the KWG providing that, even without the occurrence of a resolution or recovery event, credit institutions may be obliged to transfer positions which are regarded by the legislator as being "risk inherent" to a legally and financially independent financial trading institution if having reached certain thresholds (separation of banking activities). Furthermore, the competent authority may, from 1 July 2016 on, prohibit HVB from having further types of activities being carried out by specific institutions in order to avoid risks. The claims of the Security Holders may be negatively affected thereby. In particular, HVB as initial debtor of the Securities may be replaced by another debtor (who may have a completely different risk tolerance or creditworthiness from those of HVB's). Alternatively, the claims may continue to be towards HVB, however, the situation with regard to the debtor's assets, business activity and/or creditworthiness may not necessarily be the same as before the transfer order.

It is planned that pursuant to the Regulation of the European Parliament and of the Council on structural measures improving the resilience of EU credit institutions, which are considered to be systemically important, such credit institutions shall be restricted by the competent authorities with regard to their business activities, including a prohibition of proprietary trading and the separation of certain trading activities. The draft of this regulation was published by the European Commission on 28 January 2014. This could have a further impact on the Issuer's ability to meet its obligations under the Securities.

The aforementioned measures may result in a default of all claims under the Securities and thus to a total loss of the investment of the Security Holder. There may be negative effects in the market value of the Securities even before the execution of such rights. In addition, the Issuer's assets may be withdrawn under these measures, which would adversely affect the ability of the Issuer to meet its payment obligations under the Securities.

For an overview of risks arising from financial markets turmoil as well as governmental or regulatory interventions with respect to UniCredit International Luxembourg and financial institutions generally, please refer to the risk factor described in the base prospectus for the EMTN Programme under the title "*The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The implementation of the directive or the taking of any action under it could materially affect the value of any Notes.*" beginning on p. 55.

Further impairments might result from European legislative activities regarding the improvement of resilience of EU credit institutions.

Generally, it is not possible to fully predict future market turmoil, regulatory measures and further legislative projects.

Risks in connection with a later determination of features

The Final Terms may provide that either the Issue Price or other features of the Securities (such as an exchange rate or a market rate) may be determined by the Issuer in accordance with § 315 et seq. BGB or published at any point of time after the production of the Final Terms. Depending on the time and manner of any such determination, investors in the relevant Securities bear the risk that the potential return which is achievable from an investment in the relevant Securities do not match the expectations of the investor at the time of subscription or the risk profile does not match the risk expectations of the investor.

Risks related to debt financing the purchase of the Securities

If the purchase of the Securities will be financed by uptake of foreign funds, the proceeds from the Securities may possibly not be sufficient to make interest or principal payments arising from a financing purchase of the Securities and require additional capital. Therefore, in such a case, potential investors should make sure in advance that they can still pay the interest and principal payments on the loan also in the event of a decrease of value or a payment delay or default with regard to the Securities. The expected return should be set higher since the costs relating to the purchase of the Securities and those relating to the loan (such as interest, redemption, and handling fees) have to be taken into account.

Risks related to Incidental Costs

In connection with the purchase, holding and disposal of the Securities, incidental costs (the "**Incidental Costs**") may be incurred beside the purchase or sale price of the Securities. These Incidental Costs may significantly reduce or even eliminate any profit from the Securities.

If the purchase or sale of the Securities is not agreed between the purchaser and the Issuer or the Distributor, as the case may be, at a fixed price (the "**Fixed Price**"), commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value, will be charged upon the purchase and sale of the Securities. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, for example domestic dealers or brokers in foreign markets, potential investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third-party costs).

In addition to such Fixed Price and the costs directly related to the purchase of the Securities (direct costs), potential investors must also take into account any other costs in connection with the holding of the Securities. These include, for example, custody fees, and additional costs if other foreign or domestic entities are involved in the custody.

Before investing in the Securities, potential investors should inform themselves about any Incidental Costs to be incurred in connection with the purchase, holding or sale of the Securities.

Risks with regard to determinations by the Calculation Agent

Pursuant to the Terms and Conditions, the Calculation Agent may in its discretion determine whether certain events have occurred and make any adjustments and calculations resulting therefrom (if any), as described in the Final Terms. The Calculation Agent will make any such determination in its reasonable discretion in a commercially reasonable manner. Such determination may have an adverse effect on the value of the Securities and/or the payments.

Inflation risk

Security Holders are exposed to the risk that the real yield from an investment in the Securities is reduced, equal to zero or even negative due to a future money depreciation ("**Inflation**"). The higher the rate of Inflation, the lower the real yield on a Security. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

Risks in connection with a purchase of Securities for hedging purposes

Any person intending to use the Securities as a hedging instrument should recognise the correlation risk. The correlation risk in this case is the risk that the estimated and the actual correlation of the Securities (i.e. the interrelation between the performance of the Securities and the hedged position) may differ. This means that the hedging position estimated to move in the opposite direction as a security may prove to be correlated with the security, and that this may lead to failure of the envisaged hedging transaction. The Securities may not be a perfect hedge to an underlying or portfolio of which the underlying forms a part. In addition, it may not be possible to liquidate the Securities at a level which reflects the price of the underlying or the portfolio of which the underlying forms a part.

Potential investors should not expect that transactions may be made at any time during the term of the Securities by which the relevant risks may be excluded or restricted; in fact, this will depend on market conditions and the relevant underlying conditions. It may be that such transactions may only be concluded at an unfavourable market price so that the Security Holder will incur a corresponding loss.

Risks related to taxation

The return on the Securities may be reduced through the tax impact on an investment in the Securities. Potential purchasers and sellers of Securities should be aware that they may be required to pay taxes or other charges or duties in accordance with the laws and practices of the country where they are individually assessed for tax, to which the Securities are transferred, in which the Securities are held or in which the paying agent is situated, or of any other jurisdiction. In some jurisdictions, no official statements, rulings and/or guidelines of the tax authorities or court decisions may be available for innovative financial instruments such as the Securities. Potential investors are advised not only to rely on the tax summary contained in this document but also to ask for their own tax advisors' advice on their individual taxation with respect to the acquisition, sale or redemption of the Securities. Only these advisors are in a position to duly consider the specific situation of the potential investor.

*Risk related to the U.S. Foreign Account Tax Compliance Act ("**FATCA**")*

Payments on the Securities may be subject to a US withholding tax, e.g., pursuant to the US Foreign Account Tax Compliance Act ("**FATCA**"). Should, for example as a consequence of a non-compliance with certain certification, information reporting requirements with respect to its US accounts or other specified requirements by the Issuer, a withholding of taxes on interest, capital or other payments under the Securities occur in connection with such withholding taxation, then neither the Issuer, nor the Paying Agent or any other person will be obliged to pay a compensation to the Security Holder. As a consequence, the Security Holder may receive a lower amount than without any such withholding or deduction.

Risks regarding US withholding taxes

For the Security Holder there is the risk that payments on the Securities may be subject to US withholding tax pursuant to section 871(m) of the US Internal Revenue Code or the US withholding tax pursuant to the so-called Qualified Intermediary Regime and/or the Foreign Account Tax Compliance Act ("**FATCA**").

Section 871(m) of the US Internal Revenue Code ("**IRC**") and the provisions issued thereunder stipulate that for certain financial instruments (such as for the Securities) a withholding tax (of up to 30%

depending on the application of income tax treaties) shall be imposed if the payment (or deemed payment) on the financial instruments is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States. Pursuant to these US legal provisions, certain payments (or deemed payments) under certain equity-linked instruments that refer to the performance of US equities or certain indices that contain US equities, as an Underlying or a Basket Component, shall be treated as dividend equivalents ("**Dividend Equivalents**") and shall be subject to US withholding tax of 30% (or a lower income tax treaties rate).

This tax liability shall apply even if pursuant to the terms and conditions of the Securities no actual dividend-related amount is paid or a dividend-related adjustment is made and thus investors can only determine with difficulty or not at all any connection to the payments to be made in respect of the Securities.

The withholding tax may be withheld by the Issuer or the custodian of the Security Holder. In withholding this tax, the Issuer will regularly apply the general tax rate of 30% to the payments subject to US provisions (or deemed payments) and not any lower tax rate pursuant to any potentially applicable double taxation agreements. In such case, an investor's individual tax situation can therefore not be taken into account. A double taxation may occur in relation to payments made under the Securities.

The determination made by the Issuer or the custodian of the Security Holder of whether the Securities are subject to this withholding tax is binding for the Security Holder. However, it cannot be excluded that the United States Internal Revenue Service (the "**IRS**") comes to a different assessment which may be relevant. The rules of section 871(m) of the IRC require complex calculations in respect of the Securities that refer to US equities and application of these rules to a specific issuance of Securities issue may be uncertain. Consequently, the IRS may determine they are to be applied even if the Issuer or the custodian of the Security Holder initially assumed the rules would not apply. There is a risk in such case that Security Holder is nonetheless subject to withholding tax.

There is also the risk that section 871(m) of the IRC must also be applied to Securities that were not initially subject to withholding tax. This case could arise in particular if the Securities' economic parameters change such that the Securities are in fact subject to tax liability and the Issuer continues to issue and sell these Securities.

The Issuer or the custodian of the Security Holder is entitled to deduct from payments made under the Securities any withholding tax accrued in relation to payments made under the Securities. The Issuer and the custodian of the Security Holder are not obliged to offset any withholding tax pursuant to section 871(m) of the IRC on interest, capital or other payments to the Security Holder by paying an additional amount. Security Holders will receive smaller payments in such case than they would have received without withholding tax imposed. In a worst case payments made under the Securities may hereby be reduced to zero.

Payments on the Securities may be subject to a US withholding tax pursuant to the Qualified Intermediary ("**QI**") and/or FATCA rules. Should, for example as a consequence of a non-compliance with certain certification, information reporting requirements with respect to its US accounts, other specified requirements by the Issuer or the documentation requirements by the Security Holder, a withholding of taxes on interest, capital or other payments under the Securities occur in connection with such withholding taxation, then neither the Issuer, nor the Paying Agent or any other person will be obliged to pay a compensation to the Security Holder. As a consequence, the Security Holder may receive a lower amount than without any such withholding or deduction.

Risk related to Securities with subscription period

In the case of Securities with a subscription period, the Issuer reserves the right to refrain from engaging in the issue prior to the issue date and to early terminate or extend the subscription period. In this case, the Initial Observation Date may be postponed. In addition, the Issuer has the right, in its sole discretion, to reject subscription orders from potential investors in whole or in part.

Risks related to the Redemption Amount

The Securities will be redeemed at their maturity at the Redemption Amount (the "**Redemption Amount**") specified in the Final Terms. The Redemption Amount may be less than the Issue Price or the Purchase Price. This means, the Security Holder only achieves a return (subject to the influence of exchange rate and inflation risk) if the Redemption Amount exceeds the individual Purchase Price of the Security Holder. The Redemption Amount may also be lower than the nominal amount of the Securities or even zero.

Risks arising from missing ongoing payments

Unless otherwise specified in the applicable Final Terms, the Securities, do not bear interest or grant any other unconditional rights for ongoing payments which could compensate possible losses of principal.

3. Risks related to Underlying-linked Securities

Amounts to be distributed under the Securities will be determined by reference to an Underlying or its components using a payment formula and other conditions, as specified in the Final Terms (the "**Underlying-linked Securities**"). This brings in addition to the risks that arise in connection with the Securities themselves, further significant risks which are not associated with a similar investment in a conventional fixed or floating rate bond with a claim for repayment of the nominal amount or a direct investment in the Underlying or its components. Potential investors should only invest in the Securities if they have fully understood the applicable payment formulas.

Risks arising from the influence of the Underlying or the Basket Components on the market value of the Securities

Potential investors should be aware that the market value of the Securities may be very volatile depending on the volatility of the Underlying or the Basket Components.

The market value of the Securities is primarily influenced by changes in the price of the Underlying or the Basket Components to which the Securities are linked. The price of the Underlying or the Basket Components may depend on a number of inter-related factors, including economic, financial and political events and their general effect on capital markets and on the relevant stock exchanges. It is not possible to predict how the price of the Underlying or the Basket Components will develop in the future.

Potential investors should note that whilst the market value of the Securities is linked to the value of the Underlying or the Basket Components and may be negatively influenced by it, not any change may be equally influencing and may lead to disproportionate changes. The value of the Securities may drop while at the same time the price of the Underlying or the Basket Components may increase in value. Especially for Underlyings or the Basket Components with a high volatility this may lead to amounts payable and/or the value of Underlyings or of the Basket Components to be delivered under the Securities being significantly less than the value of the Underlying or the Basket Components prior to the Observation Date might have suggested.

Risks arising from the fact that the valuation of the Underlying or a Basket Component occurs only at a specified date or point in time

The amounts payable and/or the quantity of Underlyings or of the Basket Components to be delivered under the Securities may be calculated by reference to a valuation of the Underlying or the Basket Components on an Observation Date as specified in the Final Terms and may not consider the performance of the Underlying or the Basket Components prior to such Observation Date. Even if the Underlying or the Basket Components performed positively or, in the case of reverse structures, negatively up to the period prior to the Observation Date and if the value of the Underlying or the Basket Components only decreased or, in the case of reverse structures, increased on such an Observation Date, the calculation of the amounts payable and/or the quantity of Underlyings or of the Basket Components to

be delivered under the Securities only grounds on the value of the Underlying or the Basket Components on the relevant Observation Date. Especially for Underlyings or Basket Components showing a high volatility this may lead to amounts payable and/or a quantity of Underlyings or of the Basket Components to be delivered being significantly less than the value of the Underlying or the Basket Components on the Observation Date has suggested. Where the Underlying or a Basket Components comprises more than one component, the positive performance of one or more components of the Underlying may be outweighed/eliminated by a negative performance of other components.

Risks arising where the Minimum Amount provides only partial capital protection

Potential investors should note that the Minimum Amount payable on the Maturity Date may be less than the Nominal Amount. The Minimum Amount is specified in the Final Terms of the Securities. Furthermore, the Minimum Amount can always be less than the Issue Price or the individual Purchase Price paid by the Security Holder for the acquisition of the Securities (also taking into account any commissions and acquisition costs). Consequently, the Security Holder may **lose a significant portion of the capital invested** despite the fact that partial capital protection is provided by the Minimum Amount.

Risks arising from the impact of thresholds or limits

If specified in the Final Terms, any amounts only may be payable if certain thresholds or limits have not been reached in accordance with the Final Terms. If the respective threshold or limit, as specified in the Final Terms, has been reached, the respective Security Holder is not entitled to receive the amount specified in the Final Terms.

Risks in relation to a Participation Factor

The application of a Participation Factor within the calculation of Redemption Amount, as specified in the Final Terms, may result in the Security being not in economic terms similar to a direct investment in the relevant Underlying or the Basket Components, in particular because the Security Holder does not participate in the relevant performance by a 1:1 ratio, but in a ratio corresponding to the Participation Factor or Final Participation Factor in accordance with the Final Terms. If the Participation Factor or Final Participation Factor is less than 1, a Security Holder may therefore, in the event that the Underlying or the Basket Components perform favourably from its point of view, participate in the performance to a smaller extent in accordance with the applicable Participation Factor or Final Participation Factor as specified in the Final Terms. If the Participation Factor or Final Participation Factor is greater than 1, the Security Holder may, in the event that the Underlying or the Basket Components perform unfavourably from its point of view, bear an increased risk of losing the capital invested in comparison with a direct investment in the Underlying or in the Basket Components.

Risks with respect to a Floor Level, a Strike Level, Final Strike Level and/or a Strike

The factors "Floor Level", "Strike Level", "Final Strike Level" or and "Strike" which as the case may be must be considered when specifying the Redemption Amount may reduce the participation of the Security Holders in a positive price performance compared to a direct investment in the Underlying or Basket Components:

If the Strike Level, Final Strike Level or Strike as the case may be is greater than 100% (of the Reference Price of the Underlying on the Initial Observation Date), the Security Holder participates in a positive price performance starting from the Strike, this means, the positive price performance in the amount of the difference of the Strike Level or Strike and 100 % (of the Reference Price of the Underlying on the Initial Observation Date) remains unconsidered.

If the Floor Level is less than the Strike Level, Final Strike Level or the Strike as the case may be, this again may lead to a participation of the Security Holder in the Underlying to a smaller extent compared to a direct investment in the Underlying or Basket Components.

The negative consequences of these factors may compensate each other in partial or in total, but may also mutually reinforce one other. Investors which did not understand the mathematic function of the redemption profile should seek advice before purchasing the Securities.

Risks with respect to a Floor Level below 100%

The level of the amounts payable on the basis of the Securities may depend to a very great extent on a Floor Level. If the Floor Level is below 100%, this may mean that the Securities are not comparable in economic terms to a direct investment in the Underlying or the Basket Component, in particular because the Security Holder in such a case participates in the relevant performance to a lesser extent, not in a 1:1 ratio, but in a ratio corresponding to the Floor Level. The Security Holder may participate only to a smaller extent in any favourable development of the Underlying or of one of the Basket Components from its point of view or may even suffer a loss in such a case, and may suffer a loss to a greater extent in the event of unfavourable performance of the Underlying or of one of the Basket Components from its point of view.

Risks due to a limitation of potential returns to a Maximum Amount or due to other limitations

Potential investors should be aware that the amounts to be payable or the quantity of Underlyings or of the Basket Components to be delivered according to the Final Terms, may be limited to the Maximum Amount as provided for in the Final Terms. As a consequence, the potential return from the Securities is in such case, and in contrast to a direct investment in the Underlying or the Basket Components limited to the Maximum Amount.

Specific risks in respect Performance Telescope Securities and Garant Telescope Securities

In the case of Performance Telescope Securities and Garant Telescope Securities the level of the Additional Amount depends on the Performance of the Underlying (k). The degree of participation depends not only on the Participation Factor, but also on the denominator D (k), which has the same effect as a Participation Factor and can vary during the term of the Securities. In this context, a lower denominator D (k) leads to increased participation in the Performance of the Underlying (k), whereas a higher denominator D (k) leads to a lower Participation Rate.

Risks related to Securities with fixed rate

Potential investors in interest-bearing Securities at a fixed rate Securities should be aware that the fair market value of the fixed rate Securities may be very volatile, depending on the volatility of interest rates on the capital market (the "**Market Rate of Interest**"). The performance of the Market Rate of Interest may depend on a number of interrelated factors, including economic, financial and political events and their general effect on capital markets and on the respective exchanges. It is not possible to predict how the Market Rate of Interest will change over time. While the interest rate of fixed rate Securities is specified in the Final Terms for the term of the Securities, the Market Rate of Interest is subject to daily changes. If the Market Rate of Interest rises, this normally causes the fair market value of the fixed rate Securities to fall. If the Market Rate of Interest falls, the fair market value of the fixed rate Securities normally rises until it is equal to the level of Securities which provide for an interest rate corresponding to the Market Rate of Interest.

Specific risks in respect of Geoscope Securities and Garant Coupon Geoscope Securities

In the case of Geoscope Securities and Garant Coupon Geoscope Securities the level of the Additional Amount depends on the Geometric Average Performance of the Underlying (k). The degree of participation depends not only on the Participation Factor, but also on the denominator D (k), which has the same effect as a Participation Factor and can vary during the term of the Securities. In this context, a lower denominator D (k) leads to increased participation in the Geometric Average Performance of the Underlying (k), whereas a higher denominator D (k) leads to a lower Participation Rate

Risks with reverse structures

Potential investors should be aware that Securities with reverse structures may be structured in such a way that their value fall if the price of the relevant Underlying or the relevant Basket Component rises (reverse structure). Consequently, there is a risk to lose the invested capital, if the price of the Underlying or the Basket Component rises accordingly. In addition, the potential income from the Securities is limited, because the price of the Underlying or the Basket Component can never fall by more than 100%.

Risks with respect to several Underlyings or a basket of Underlyings

The Underlying is a basket consisting of several components. The redemption and value of the debt security depend on the Performance of the basket, i.e. of all Basket Components together. There is therefore a risk that the negative Performance of one Basket Component or of some of the Basket Components may offset the positive Performance of other Basket Components, with a negative impact on the redemption or the value of the debt security. Any possible diversification of risk using the Basket Components is restricted or non-existent in particular if the Basket Components have similar features, e.g. if they are linked to each other in geographical terms.

The components of the basket may be weighted equally or differently, if appropriate, according to the weighting factor. The Weighting of the Basket Components may significantly amplify a negative event or negative development in relation to one Basket Component or of some of the Basket Components and therefore also the negative impact on the value and/or redemption of the Note. The possibility cannot be ruled out that Security Holders may incur considerable losses even if a negative development has occurred only in relation to one Basket Component.

Risk of postponement or alternative provisions for the valuation of the Underlying or the Basket Components

In certain circumstances which are set out in the Final Terms, the Issuer and the Calculation Agent has broad discretion to specify (i) a consequential postponement of, or (ii) any alternative provisions for the valuation of an Underlying or the Basket Components respectively including a determination of the value of such Underlying or such a Basket Component, each of which may have an adverse effect on the value of the Securities.

Currency risk with respect to the Underlying or the Basket Components

The Underlying or the Basket Components may be denominated in a different currency than the Specified Currency of the Securities. If the currency risk remains with the Security Holder (i.e. the Securities do not have a "quanto" element in terms of that the price of the Underlying or the Basket Component will be converted from one currency into the currency of the Securities, as may be specified in the Final Terms) the investor may incur further losses on interest and/or principal.

Risks in relation to Adjustment Events

In the case of the occurrence of an Adjustment Event as specified in the Final Terms, the Calculation Agent is entitled to carry out adjustments according to the Final Terms in its reasonable discretion. Although these adjustments aim to preserve the economic situation of the Security Holders to the largest extent possible, it cannot be guaranteed that such an adjustment will result in a minimal economic impact. In fact, this adjustment may also have a negative impact on the value or the future performance of the Securities.

Risk of regulatory consequences to investors when investing in Underlying-linked Securities

There may be negative regulatory and other consequences associated with the ownership by certain investors of certain Securities. It cannot be ruled out that inter alia the specific investor is not entitled to invest in the Securities due to supervisory regulations or that the investment is attached to special reporting or notification requirements (e.g. with respect to certain funds). Additionally, the purchase or

holding of Securities may be excluded or unsuitable under civil law agreements (i.e. if eligibility as trustee stock (*Mündelsicherheit*) is required). Each purchaser of the Securities must conduct its own investigation regarding its regulatory position in connection with the potential purchase of the Securities. The Issuer does not assume any obligation or liability whatsoever towards such a purchaser.

Risks arising from negative effects of hedging arrangements by the Issuer on the Securities

The Issuer may use a portion or the total proceeds from the sale of the Securities on transactions to hedge the risks of the Issuer relating to the Securities. In such case, the Issuer or any of its affiliates may conclude transactions that correspond to the obligations of the Issuer under the Securities. Generally, such transactions are concluded prior to or on the Issue Date, but it is also possible to conclude such transactions after the Issue Date. On or prior to such a valuation date the Issuer or any of its affiliates may take the steps necessary for closing out any hedging arrangements. It cannot, however, be ruled out that the price of the Underlying or Basket Component of the Securities will be influenced by such transactions in individual cases. Entering into or closing out these hedging arrangements may have a negative effect on the market price of the Securities and/or on the amounts payable and/or the quantity of Underlyings or of the Basket Components to be delivered under the Securities.

Risks arising from the Issuer's Conversion Right

Upon the occurrence of a Conversion Event the Securities are converted, i.e. the Settlement Amount is paid on the Redemption Date. A Conversion Event exists if certain adjustments pursuant to the Special Conditions are not possible or not justifiable with regard to the Issuer and/or the Security Holders. The Settlement Amount is equal to the market value of the Securities plus interest accrued up to the Redemption Date at the market rate of interest being traded at that time for liabilities of the Issuer with the same remaining term as the Securities. However, the Security Holder receives at least the Minimum Amount. If the market value of the Securities plus accrued interest at the time of the conversion or, where relevant, the Minimum Amount is less than the Purchase Price of the Securities, the respective Security Holder will suffer a **partial loss of its investment**. In addition, the Security Holder bears the risk that its expectations of an increase in the market value of the Securities will no longer be met as a result of the conversion.

Risks related to a target volatility strategy

A target volatility strategy (the "**Target Vol Strategy**"), if provided for in the Final Terms, dynamically adjusts exposure to the Underlying and its components, as specified in the Final Terms, depending on the volatility of the Underlying.

The performance of the Target Vol Strategy may be substantially different from the performance of the Underlying or its components. The exposure of the Target Vol Strategy to the Underlying or its components can be very low if the volatility of the Underlying is high compared to the target volatility, as specified in the relevant Final Terms, and thus, the Target Vol Strategy's participation in a positive performance of the Underlying and its components is also very low. The realised volatility of the Target Vol Strategy may also be greater than or equal to the target volatility. If the exposure of the Target Vol Strategy to the Underlying or its components is low, then the exposure to the reference rate is high. Potential investors should be aware that a negative reference rate generally has a negative impact on the performance of the Target Vol Strategy. Various fees, as described in the Final Terms, may be applied to the Target Vol Strategy, which shall reflect costs of the Issuer and/or the Calculation Agent in connection with the calculation and management of the Target Vol Strategy. The deduction of the fees will reduce the performance of the Target Vol Strategy over time and therefore lead to a reduced participation in the performance of the Underlying and its components.

The Target Vol Strategy does not necessarily lead to an improved performance of the Securities compared to a direct investment in the Underlying or its components, and the performance of the Securities may even be worse than the performance of the Underlying or its components.

Risks related to Market Disruption Events

If a market disruption event (the "**Market Disruption Event**"), as specified in the relevant Final Terms, occurs the relevant calculation agent may defer valuations of the Underlying or its components, as provided in the Final Terms, and, after a certain period of time, determine such valuations in its reasonable discretion. These valuations may, to the detriment of the Security Holder, differ substantially from the actual price of the Underlying or its components. In general market disruption events also lead to delayed payments (including deliveries of Underlyings or its components, if so specified in the relevant Final Terms) on the Securities. In this case, Security Holders are not entitled to demand interest due to such delayed payment.

E. RISKS RELATED TO THE UNDERLYING OR THE BASKET COMPONENTS

The Underlying or a basket component (the "**Basket Component**") may be a share or a share representing security, an index, a commodity, an exchange rate or a unit or share of an investment funds (each a "**Fund Share**"). These Underlyings or the Basket Components are subject to particular risks. Any full or partial realisation of the following risks may have a negative impact on the price of the Underlying or the Basket Components and, hence, on the market value of the Securities and/or the amounts payable and/or the quantity of Underlyings or of the Basket Components to be delivered thereunder (if any). The Security Holders have no rights in or recourse against the Underlying or the Basket Components. Furthermore, transactions made by the Issuer to hedge its obligations under the Securities may have a negative impact on the price of the Underlying or the Basket Components and, hence, on the market value of the Securities and/or the amounts payable and/or the quantity of Underlyings or of the Basket Components to be delivered thereunder (if any).

1. General risks

Risks arising from the volatility of the price of the Underlying or the Basket Components and risk due to a short history

Where the Underlying consists of a basket, the relevant criterion may be either the performance of all the underlying Basket Components taken together (e.g. on the basis of an averaging procedure) or the performance of each individual underlying Basket Component.

The value of an Underlying or its constituents or of a Basket Component or of its constituents may vary over time and may increase or decrease due to a variety of factors such as macroeconomic factors and speculation. Potential investors should note that an investment in the Securities may be subject to similar risks than a direct investment in the relevant Underlying or the relevant Basket Component or the relevant components of a Basket Component. In comparison with a derivative security linked only to a share or a security representing shares, an index or a commodity, the Securities may represent a cumulative risk or even an exponential risk.

Security Holders should note that the past performance of an Underlying or a Basket Component or (in the case of an index) its constituents provides no indication of its future performance and that an Underlying or a Basket Component or (in the case of an index) its constituents may only have a short operating history or may have been in existence only for a short period of time and may deliver results over the longer term less than initially expected.

Risks arising from the Benchmark Regulation

The Underlying or a Basket Component may qualify as a benchmark (the "**Benchmark**") within the meaning of Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") which most provisions will apply from 1 January 2018. According to the Benchmark Regulation, a Benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognised" pending such a decision and is not "endorsed" for such purpose. Consequently, it might not be possible to

further utilise a Benchmark as Underlying or Basket Component of the Securities. In such event, depending on the particular Benchmark and the applicable terms of the Securities, the Securities could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted;

Any changes to a Benchmark as a result of the Benchmark Regulation could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with the Benchmark Regulation. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks, adversely affect the performance of a Benchmark or lead to the disappearance of certain Benchmarks. Potential investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under the Securities.

No rights of ownership of the Underlying or its constituents or in the Basket Components or its constituents

Potential investors should be aware that the relevant Underlying or the Basket Components or (in the case of an index) its constituents will not be held by the Issuer for the benefit of the investors in such Securities, and as such, Security Holders will not obtain any rights of ownership (such as voting rights, rights to receive dividends or other distributions or other rights) with respect to an Underlying or the Basket Components or (in the case of an index) its constituents in relation to such Securities. Neither the Issuer nor any of its affiliates is obliged to acquire or hold an Underlying or the Basket Components or (in the case of an index) its constituents.

Risks associated with Underlyings or the Basket Components subject to emerging market jurisdictions

An Underlying or the Basket Components or its constituents (if any) may be subject to the jurisdiction of an emerging market. Investing in Securities with such Underlyings or Basket Components involves further legal, political (e.g. rapid political changes) and economical (e.g. economic downturns) risks.

Countries that fall into this category are usually considered to be 'emerging' because of their developments and reforms and their economy being in the process of changing from a moderately developed country to an industrial country.

In emerging markets, expropriation, taxation equivalent to confiscation, political or social instability or diplomatic incidents may have a negative impact on an investment in the Securities. The amount of publicly available information with respect to the Underlying or the Basket Components or any of its components may be smaller than that normally made available to Security Holders.

Transparency requirements, accounting, auditing and financial reporting standards as well as regulatory standards are in many ways less strict than standards in industrial countries.

Although emerging financial markets generally show rising volumes, some emerging financial markets have much lower trading volumes than developed markets and the securities of many companies are less liquid and their prices are subject to stronger fluctuations than those of similar companies in developed markets.

2. Risks associated with shares as Underlying or Basket Component

Similar risks to a direct investment in shares

The market price of Securities with shares as Underlying or Basket Component depends on the performance of the share. The performance of a share may be subject to factors like the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the issuer of the share, short selling activities and low market liquidity as well as to macro-economic or political influences. Accordingly, an investment in Securities with a share as Underlying or Basket Component may bear similar risks to a direct investment in shares. Corporate actions and events in relation to the share or the issuer of the share may result in adjustments to the Securities and have an adverse effect on the value of the Securities or even result in a termination and early redemption of the

Securities. Potential adjustments due to corporate actions or events may modify the structure and/or risk profile of the Securities. Furthermore, disruptions regarding the trading of the shares may have a negative effect on the value of the Securities and the payments to be made and/or the value of Underlyings or of the Basket Components to be delivered under the Securities.

Investors have no shareholder rights

The Securities convey no interest in the share(s), including any voting rights or rights to receive dividends, interest or other distributions, as applicable, or any other rights with respect to the share or shares as an Underlying or as Basket Components. The Issuer and any of its affiliates may choose not to hold the Underlying or the Basket Components or not to enter into any derivative contracts linked to the Underlying or the Basket Components. Neither the Issuer nor any of its affiliates is restricted from selling, pledging or otherwise conveying all right, title and interest in the Underlying or the Basket Components or any derivative contracts linked to the Underlying or the Basket Components by virtue solely of having issued the Securities.

Risks related to ADRs/RDRs

Depository receipts in the form of American Depositary Receipts (ADRs) or Regional Depositary Receipts (RDRs) may bear additional risks compared with risks related to shares. Depository receipts are participation certificates in a portfolio of shares normally held in the country of incorporation of the issuer of the underlying shares and represent one or more shares or a fraction of such shares. For depository receipts, the legal owner of the underlying share portfolio is the custodian bank, which is at the same time the issuing agent of the depository receipts. Depending on the jurisdiction in which the depository receipts will be issued and to which jurisdiction the custody agreement is subject, it cannot be ruled out that the respective jurisdiction does not recognise the holder of the depository receipts as the actual beneficial owner of the underlying shares. Especially in the event of insolvency of the custodian bank or foreclosure against it, it is possible that shares underlying the depository receipts are restricted or that these shares may be sold to realise their value in the case of foreclosure against the custodian bank. If that is the case, the holder of the depository receipts loses the rights to the underlying shares certified by the participation certificate and the depository receipt becomes worthless.

3. Risks associated with indices as Underlying or Basket Components

Similar risks to a direct investment in index components

The performance of Securities linked to indices (the "**Index-linked Securities**") depends on the performance of the respective index. The performance of an index depends primarily on the performance of its components (the "**Index Components**"). Changes in the price of the Index Components may have an effect on the index and, likewise, changes to the composition of the index or other factors may also have an effect on the index. Accordingly, an investment in an Index-linked Security may bear similar risks to a direct investment in the Index Constituents. Generally, an index may at any time be altered, terminated or replaced by any successor index. This may result in adjustments to the Securities (as described in *Risks related to Adjustment Events*) or in an extraordinary early termination of the Securities (as described in *Risks related to Call Events*). Disruptions regarding the trading of the shares may lead to Market Disruption Events (as described in *Risks related to Market Disruption Events*).

No influence of the Issuer on the index

If neither the Issuer nor any of its affiliates acts as index sponsor, the Issuer neither has influence on the index nor on the method of calculation, determination and publication of the index (the "**Index Concept**") or its modification or termination.

If neither the Issuer nor any of its affiliates acts as index sponsor, Index-linked Securities are not in any way sponsored, endorsed, sold or promoted by the respective index sponsor. Such index sponsor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index or the prices at which the index stands at a particular time. Such index is composed, calculated (if so) and determined by its respective index sponsor independently from the Issuer of the

Securities. Such index sponsor is not responsible or liable for the issuance, the administration, the marketing or the trading of the Securities.

Risks arising from special conflicts of interest in relation to indices

If the Issuer or any of its affiliates acts as index sponsor, index calculation agent, advisor or as a member of an index committee, or in a similar position, this may lead to conflicts of interest. In relation to such function, the Issuer or any of its affiliates may, *inter alia*, calculate the price of the index, carry out adjustments (e.g. by exercising its reasonable discretion) to the Index Concept, replace the Index Constituents and/or determine the composition and/or weighting. These measures may have an adverse effect on the performance of the index, and thus on the value of the Securities and/or the amounts to be distributed under the Securities.

Risks related to Strategy Indices

Strategy indices (the "**Strategy Indices**") represent hypothetical rule-based investment strategies (i.e., no actual trading or investment activities take place) conducted by an index sponsor. As a general rule, Strategy Indices entitle the index sponsor to extensively exercise its discretion when calculating the index which may lead under certain circumstances to a negative performance of the index.

Risks related to Price Indices

In the case of price or price-return indices (the "**Price Indices**"), dividends or other distributions paid out with respect to Index Components will not be considered when calculating the price of the index and consequently have a negative impact on the price of the index, because the index components will as a rule be traded with a discount after the pay-out of dividends or distributions. This has the effect that the price of the Price Index does not increase to the same extent or falls to a greater extent than the price of a comparable total return / performance index (the "**Total Return Index**"), which reflects gross payments, or Net Return Index.

Risks related to Net Return Indices

In the case of net return indices (the "**Net Return Indices**"), dividends or other distributions paid out or made on the Index Components will be considered when calculating the price of the index as net payments after deduction of an average tax rate, as specified by the relevant Index Sponsor. This tax deduction has the effect that the price of the net return index does not increase to the same extent or falls to a greater extent than the price of a comparable Total Return Index.

Risks related to Short Indices

In the case of short indices (the "**Short Indices**"), as a rule, the price of the index develops in a reverse manner to the market or long index to which it refers. This means that the price of the Short Index generally rises when the prices of the market or long index to which it refers fall, and that the price of the Short Index falls when the prices of the market or long index to which it refers rise.

Risks related to Leverage Indices

Leverage indices (the "**Leverage Indices**") consist of two different components, the index to which the leverage index refers (the "**Reference Index**") and the leverage factor (the "**Leverage Factor**"). The performance of the leverage index is linked to the per cent performance per day of the Reference Index by applying the Leverage Factor. Depending on the respective Leverage Factor, the daily price of the Leverage Index falls or rises to a greater extent than the price of the respective Reference Index.

If the leverage index has exceeded a certain threshold due to extraordinary price movements during a trading day, the leverage index may be adjusted intra-daily in accordance with the relevant Index Concept. Such adjustment may lead to a reduced participation of the leverage index in a subsequent increase in price of the Reference Index.

In the case of Securities linked to a Leverage Index, Security Holders **may to a greater extent be suffering a loss of the invested capital.**

Risks related to Distributing Indices

In the case of distributing indices (the "**Distributing Indices**") dividends or other distributions, made from the Distributing Index, will usually result in a discount on the price of Distributing Index. This has the effect that the price of the Distributing Index in a longer term does not rise to the same extent or falls to a greater extent than the price of a comparable Net Return Index or Total Return Index.

Risks related to Excess Return Indices

In the case of excess return indices (the "**Excess Return Indices**"), the investor indirectly invests in futures contracts and thus is exposed to the same risks as described in *Risk related to futures contracts*. The performance of the index components is only considered in excess (that means relative) to a benchmark or interest rate.

Risks in relation to country or sector related indices

If an index reflects the performance of assets only of certain countries, regions or sectors, this index is affected in a disproportionately negative manner in the case of an unfavourable development in such a country, region or industrial sector.

Currency risk contained in the index

Index Components may be listed in different currencies and therefore exposed to different currency influences (this particularly applies to country or sector related indices). Furthermore, it is possible that Index Components are converted first from one currency to the currency which is relevant for the calculation of the index, and then converted again in order to calculate and determine the amounts to be distributed under the Securities. In such cases, Security Holders are confronted with several currency and Currency Exchange Rate risks, which may not be obvious for a Security Holder.

Adverse effect of fees on the index level

If the index composition is adjusted in accordance with the relevant Index Concept, fees may arise that are subject of the index calculation and which reduce the level of the index. This may have a negative effect on the performance of the index. Indices which reflect certain markets or sectors may use certain derivative financial instruments. This may lead to higher fees and thus a lower performance of the index than it would have been the case with a direct investment in these markets or sectors.

Risks arising from the publication of the index composition which is not constantly updated

For some indices its composition will not entirely be published or only with retardation on a website or in other public media specified in the Final Terms. In this case the composition exposed might not always correspond with the current composition of the respective index used for calculating the amounts payable under the Securities. The delay may be substantial and, under certain circumstances last several months. In this case the calculation of the index may not be fully transparent to the Security Holders.

Risks of unrecognised or new indices

In the case of a not recognised or new financial index, there may be a lower degree of transparency relating to its composition, maintenance and calculation than it would be the case for a recognised financial index, and there may in some circumstances be less information available about the index. In addition, subjective criteria may play a much greater role in the composition of the index in such cases, and there may be a greater degree of dependence on the agent responsible for the composition, maintenance and calculation of the index than it would be the case for a recognised financial index. Furthermore, particular investors (e.g. Undertakings for Collective Investment in Transferable Securities (UCITS) or insurance companies) may be subject to specific administrative restrictions relating to the purchase of Securities linked to such index which have to be considered by these investors. Finally, the provision of indices, the contribution of input data to indices and the use of indices may from time to time be subject to regulatory requirements and restrictions which may affect the ongoing maintenance and availability of an index.

4. Risks related to futures contracts as Underlying or Basket Components

Risks related to futures contracts as standardised transactions

Futures contracts are standard transactions relating to commodities such as oil, gas, or sugar and referred to as commodity futures.

A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodities on a fixed delivery date at an agreed price. Futures contracts are traded on futures exchanges and are standardised with respect to the contract amount, type and quality of the underlying, as well as to delivery locations and dates (if applicable). However, futures contracts are normally traded at a discount or premium compared with the spot prices of their underlying.

Risk of futures contracts with different delivery dates

The prices of futures contracts with different delivery dates can differ, even if all other contract specifications are identical. If the prices of longer-term futures contracts are greater than the prices of the shorter-term futures contracts this is called '*contango*'. If the prices of shorter-term futures contracts are greater than the prices of the longer-term futures contracts this is called '*backwardation*'. If the Final Terms specify that futures contracts with different delivery dates are subject of observation, these price differences may have a negative effect on the market value of, and the amounts payable under the Securities.

No parallel development of spot price and futures price

Prices of futures contracts may differ substantially from the spot prices of the underlying commodities. The market value of the futures contract does not always develop in the same direction or at the same rate as the spot price of the commodity.

Risks relating to a Roll-Over

In order to trade futures contracts on an exchange, they are standardised with respect to their term (e.g. 3, 6, 9 months). Futures contracts as the Underlying of the Securities may have a different term than the Securities. In such a case, the Calculation Agent will replace the initial futures contract as well as any subsequent futures contracts by a futures contract, which has a later delivery day, but otherwise has identical contract specifications as the initial futures contract (the "**Roll-Over**"). Such a Roll-Over can be repeated several times. Differences in the prices of the futures contract may be compensated by an adjustment of the Participation Factor. These adjustments may have a negative effect on the market value of, and the amounts payable under, the Securities.

The provisions for a Roll-Over may provide for a transaction fee, which might be compensated by respective adjustments and, therefore, may have a negative effect on the Index, market value of, and the amounts payable under the Securities.

If it is impossible to replace an expiring futures contract by a futures contract with identical contract specifications -except for its term-, this may have a negative effect on the Index, market value of, and the amounts payable under the Securities.

5. Risks related to commodities as Underlying or Basket Components

Similar risks as a direct investment in commodities

The performance of Securities with commodities as Underlying or Basket Components is dependent on the performance of the relevant commodities. The performance of a commodity may be subject to influences, including, among others, the risk of price influencing factors, as described below under "Risks arising from price influencing factors", and the risk resulting from trading in different markets, as described below under "Risks arising from trading in various time zones and on different markets".

Normally, the performance of commodities is expressed by means of futures contracts (i.e. standardised futures transactions) on these commodities. These futures contracts only have a limited term and its price is influenced by, among others, its term and by general market factors. Furthermore, the roll over mechanism will be applied to futures contracts which means that commodity futures contracts which expire before the relevant payment day in relation to the Securities will be replaced by commodity futures

contracts with a later expiry date such that the performance of the underlying commodities may not be fully replicated in the performance of the Securities or the amounts payable under the Securities.

Higher risks than other asset classes

An investment in commodities is associated with higher risks than investments in other asset classes such as bonds, currencies or stocks, because prices in this asset category are subject to greater fluctuations (volatility) and markets may be less liquid than stock markets. Changes to bid and offer volumes may have a higher impact on the price and volatility. Commodity markets are also characterised by, among others, the fact that there are only a few active market participants which bears the risk of speculation and price distortions.

Risks arising from price influencing factors

The following factors (which is a non-exhaustive list) may influence the commodity prices: supply and demand; speculations in the financial markets; production bottlenecks; delivery difficulties; limited number of market participants; production in emerging markets (political turmoil, economic downturns); political risks (war, terrorist actions); unfavourable weather conditions; natural disasters.

Risks arising from trading in various time zones and on different markets

Commodities such as oil, gas, wheat, corn, gold and silver are traded on a global basis almost non-stop in various time zones on different specialised exchanges markets such as different futures exchanges or directly among market participants (over the counter). This may lead to publication of different prices for the same commodity in different places. The Final Terms specify which exchange or market and which timing apply regarding the specification of the price of the relevant Underlying or Basket Component. The commodities contained in the Underlying or Basket Component may be from emerging and developing countries which are subject to very specific political and economic uncertainties. Political developments and the instability in these countries may have a negative effect on the prices of the commodities and thus also have an adverse effect on the value of the Securities. Changes to bid and offer volumes may therefore have a stronger influence of pricing and volatility.

6. Risks related to exchange rates as Underlying or Basket Components

Similar risks like a direct investment in exchange rates

The market value of Securities with exchange rates as Underlying or Basket Component is dependent on the performance of the relevant exchange rates. The performance of an exchange rate may be subject to a variety of economic and (currency-) political factors. Accordingly, an investment in a Security with exchange rates as Underlying or Basket Component may bear similar risks like a direct investment in the relevant exchange rates.

No influence of the Issuer on the exchange rate

The Issuer or any of its affiliates has no influence on the exchange rate or the currencies and their performance.

Special risks with respect to exchange rates or currencies

There is a risk that currencies may be devalued or replaced by a substitute currency whose rate of exchange cannot be predicted or influenced by the Issuer. An increased risk may apply in the case of exchange rates as the Underlying or the Basket Component in relation for the currencies of emerging markets. Such risks may arise in particular as a result of higher volatility (currency fluctuations).

If the Underlying or the Basket Component is an exchange rate, Security Holders may be exposed to an increased risk of loss of the invested capital.

7. Risks related to Fund Shares as Underlying or Basket Components

Similar risks to a direct investment in Funds Shares

The market price development of Securities with Fund Shares or indices relating to Fund Shares or a basket of Fund Shares as Underlying depends on the performance of the relevant Fund Share or the relevant Fund Shares. The performance of a Fund Share is overwhelmingly dependent on the success of the relevant investment fund's investment activities. The latter are affected in turn to a very great extent by the choice of assets acquired by the investment fund and the extent to which the investment risks associated with the acquisition of assets for the investment fund materialise.

The value of the Underlying or of its constituents (if any) may vary over time and may increase or decrease due to a variety of factors e.g. macroeconomic factors and speculation. Potential investors should note that an investment in an Underlying-linked Security may be subject to similar risks than a direct investment in the relevant Underlying.

Security Holders should note that the performance of an Underlying or Basket Components (in the case of an index or a basket) in the past does not represent an indication of its future development, and that an Underlying (in the case of an index or a basket) or a Basket Component may have only a short history of business activity or have been in existence only for a short time and may generate returns over the longer term that do not match the original expectations.

Where the Underlying consists of a basket, the relevant criterion may be either the performance of all the Basket Component taken together (e.g. on the basis of an averaging procedure) or the performance of each individual underlying Basket Component. In comparison with a derivative security linked only to a fund unit, the Securities may represent a cumulative risk or even an exponential risk.

No rights of ownership of the Underlying or Basket Components

The Securities do not convey any interest in Fund Shares, including any voting rights or rights to receive dividends or other rights with respect to the Fund Shares as the Underlying, as a Basket Component (e.g. in the case of an index) or as a Basket Component. The Issuer and its affiliates may decide not to hold the Underlyings or Basket Components or not to enter into any derivatives contracts linked to the Underlying or Basket Component. Neither the Issuer nor its affiliates are restricted from selling, pledging or otherwise transferring rights, titles and interests relating to the Underlyings or Basket Components or to derivatives contracts linked to the Underlyings or Basket Components by virtue solely of it having issued the Securities. References in the Final Terms to any balancing, rebalancing, disposal, acquisition or financing should be understood as referring to a theoretical transaction and should not be construed as imposing any obligation on the Issuer or any of its affiliates or subsidiaries, or the Issuing Agent, Principal Paying Agent, Paying Agent or Calculation Agent to actually, directly or indirectly, physically or synthetically, acquire, dispose of or effect or take delivery of, or effect transactions in, the Fund Shares or other assets.

No entry in the register of members in the event of physical delivery of Registered Shares

If the Underlying or Basket Components consists of Fund Shares for which the holder must be entered in a register of members of the relevant investment fund in order to be able to exercise its rights arising from those Fund Shares (in each case a "**Registered Share**") and the Issuer is required in accordance with the Final Terms to deliver these Fund Shares to the Security Holders, the rights arising from the Fund Shares (e.g. the receipt of dividends and the exercise of voting rights) can be exercised only by members that have been entered in the register of members or a comparable official register maintained by the fund in which the Registered Shares are held. In the case of Registered Shares, any obligation incumbent upon the Issuer to deliver the Fund Shares is limited solely to the provision of the shares in a form and with features that enable their delivery and does not cover entry into the register of members. In such cases, any claims due to non-performance, in particular reversal of the transaction or damages, are excluded.

No obligation to forward distributions

Investment funds may make distributions from time to time. The Issuer is under no obligation to make payments to the Security Holders in respect of such distributions, unless this is provided for in the Final Terms. Unless indicated otherwise in the Final Terms, the Securities are linked to the performance of the

Fund Shares and do not generally reflect any distributions made by the investment fund representing the Underlying.

Risks associated with Underlyings subject to emerging market jurisdictions

An Underlying or its components (if any) may be subject to the jurisdiction of an emerging market. Investing in Securities with such Underlyings involves further legal, political (e.g. rapid political changes) and economical (e.g. economic downturns) risks.

Countries that fall into this category are usually considered to be 'emerging' because of their developments and reforms and their economy being in the process of changing from a moderately developed country to an industrial country.

In emerging markets, expropriation, taxation equivalent to confiscation, political or social instability or diplomatic incidents may have a negative impact on an investment in the Securities. The amount of publicly available information with respect to the Underlying or any of its components may be smaller than that normally made available to Security Holders.

Transparency requirements, accounting, auditing and financial reporting standards as well as regulatory standards are in many ways less strict than standards in industrial countries.

Although emerging financial markets generally show rising volumes, some emerging financial markets have much lower trading volumes than developed markets and the securities of many companies are less liquid and their prices are subject to stronger fluctuations than those of similar companies in developed markets.

8. Structural risks in the case of Fund Shares as the Underlying or as components of an Underlying

Legal and tax risk

The legal environment and the publication, accounting, auditing and reporting requirements applying to an investment fund, as well as the tax treatment applying to its members, may change at any time in a way that can neither be predicted nor influenced. In addition, any change may have a negative impact on the value of the investment fund used as the Underlying for the Securities.

In this context, investment funds operating in accordance with the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS") are normally subject to stricter requirements relating to risk diversification and the type of permitted assets than investment funds operating in accordance with the requirements of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on managers of alternative investment funds ("AIFs"). However, this does not entail a guarantee that the investments made will be safer or that the investment activities will be financially successful.

In contrast to UCITS, AIFs are permitted to concentrate their fund investments on a single asset or a few assets, and to invest in complex assets and assets for which there are no properly functioning and transparent markets on which credible prices are quoted at which those assets can be sold at any time or at least on particular dates. In some circumstances this may be associated with substantial risks, but this does not necessarily have to be the case.

Risks resulting from commissions and fees

Investment funds usually have to bear certain management and custody fees and further fees and expenses regardless of their performance. These fees usually accrue even if an investment fund's assets decrease in value. Moreover, the regulations of an investment fund typically provides for a performance fee or allocation to its general partner, manager or person serving in an equivalent capacity over and above a basic asset-based management fee. Performance fees or allocations could create an incentive for a manager to choose riskier or more speculative investments than would otherwise be the case. In addition, because performance-based fees or allocations are generally calculated on a basis that includes unrealised appreciation as well as realised gains, an investment fund may pay performance-based compensation to a

manager on gains that will never be realised. Certain fund managers may invest on the basis of short-term market considerations. Their turnover rate is expected to be significant, potentially involving substantial brokerage commissions and fees.

In addition, some investment funds may charge fees in relation to the issuance or redemption of their Fund Shares. Prospective Security Holders should be aware that any of these fees may have a negative impact on payments, if any, under the Securities.

Risks resulting from a potential liquidation or merger

It cannot be excluded that an investment fund chosen as an Underlying or as a Basket Component is being liquidated or dissolved prior to the maturity of the Securities stated in the Final Terms. Such a liquidation or dissolution may have negative impacts on the value of the Securities. In this case the Issuer or the Calculation Agent is additionally entitled to adjust the terms and conditions of the Securities (e.g. by selecting a successor fund) or, to terminate the Securities prematurely.

Risks relating to valuations of the net asset value and estimates

The Issuer or the Calculation Agent, as the case may be, must to rely on the valuation of the relevant assets by the respective investment fund or its contracted service providers. Such valuations are revised from time to time, sometimes materially, and may not be indicative of what the actual fair market value would be in an active, liquid or established market and subject the fund managers to a conflict of interest where their fees are based on such valuations. The valuations provided by investment funds with respect to their illiquid investments and by less liquid sub funds of their overall net asset values may be particularly uncertain. The investment funds' management fees and incentive fees, as well as the amounts due to investors upon share redemption and other financial calculations, may be determined on the basis of estimates. The manager or advisor of an investment fund is usually under no or only limited obligation to revise such estimates.

Potential lack of currentness of the performance

According to the Final Terms the value of the Fund Share and of the Securities is published for a certain cut-off date but not on such cut-off date. Consequently, there will be always a certain delay between the respective valuation on the valuation date or the Observation Date, as the case may be, and the actual calculation and publication of the relevant data. It can, therefore, not be excluded that material information, including the value of the Securities, will be outdated at the time of its publication. Since the value of the Securities is changing constantly it is not possible to guarantee that the information published according to the Final Terms reflects the actual value of the Securities on the day after such publication.

Risks resulting from potential conflicts of interest of the persons involved

The structure of investment funds may in individual cases result in conflicts of interest for the persons involved, especially with regard to Investment Advisors and Portfolio Managers (and any persons or entities affiliated with them). Apart from their mandate for an investment fund, Investment Advisors or Portfolio Managers may also service other customers which in individual cases may lead to conflicts of interest if certain investment opportunities only have a limited volume. Furthermore, Investment Advisors or Portfolio Managers may also act for other investment funds which pursue similar investment objectives or act as or represent the counterparty in transactions involving the purchase or sale of financial instruments for a fund. Apart from that, Investment Advisors or Portfolio Managers may concurrently be acting for companies whose investment instruments are recommended to the relevant investment fund for purchase. Conflicts of interest may also occur if Investment Advisors or Portfolio Managers act on behalf of customers who want to sell or purchase the same financial instruments as the investment fund which is managed or advised by them. In particular cases, further conflicts of interest may arise which could have an effect on the performance of an investment fund.

An investment fund may not require its manager or advisor or their officers and directors to devote all or any specified portion of their time to managing the affairs of such investment fund, but only to devote so much of their time to such affairs as is reasonably required. In addition, an investment fund may not

prohibit its manager or advisor or their affiliates from engaging in any other existing or future business. The officers and directors of the respective manager or advisor may invest for their own accounts in various investment opportunities. There may be personal relationships between the different parties involved in the management and administration of an investment fund and employees of one of these entities may take a position in another entity which could lead to a conflict of interest.

The Issuer may, among other things, act as prime broker or as Custodian Bank to the investment funds used as Underlying or Basket Components for the Securities. Such services may include the extension of loans by the Issuer to one or more such investment funds. In connection with any such provision of services or extensions of credit, the Issuer will receive commissions for its prime brokerage services and/or payments in respect of such extensions of credit, which may affect the value of the relevant investment fund. To the extent that the Issuer provides prime brokerage services and/or extensions of credit, the Issuer will also have custody of the relevant fund's underlying assets and will possess a lien on and security interest in such assets to secure the investment fund's obligations to the Issuer. Often these assets will not be registered in the investment fund's names, but rather directly in the name of the Issuer. In the event of an insolvency or other event of default with respect to an investment fund, the Issuer as secured creditor will be entitled to, and prospective Security Holders should assume that it will, take action to realise upon and liquidate such assets in its capacity as secured creditor without taking into consideration the interests of any holder of Fund Shares and of the Security Holders. This may adversely affect the value of the relevant fund and, consequently, the value of the Securities.

No passing on of rebates or other fees paid by the investment fund to the Issuer

The Issuer may receive rebates or other fees on its investment in an investment fund. These rebates or other fees will not be distributed to the Security Holders but are used by the Issuer to finance the earnings mechanism of the Securities or otherwise.

Political/regulatory risk

In certain states and sectors, investments may be subject to significant regulation by federal, state and local government authorities (including in relation to the construction, maintenance and operation of facilities, environmental and safety controls, and, in some instances, the prices they may charge for the products and services they provide). Various governmental authorities have the power to enforce compliance with these regulations and the permits issued under them, and violators are subject to administrative, civil and criminal penalties, including civil fines, injunctions or both. Stricter laws, regulations or enforcement rules may be introduced in future which are likely to result in higher costs associated with compliance with the regulations and affect the financial performance of investments in those states and sectors. If unforeseen events occur, regulatory authorities and securities exchanges are generally entitled to take extraordinary measures with unpredictable effects on investments.

Custody risks

The investment fund's assets are usually held in custody by one or more custodians or sub-custodians. This may result in a potential risk of losses resulting from a breach of duties to exercise due care, wrongful use or the possible insolvency of the custodian or sub-custodian (if any).

Valuation risks

Not all investment funds may produce regular valuations at specified intervals. Without a reliable valuation of the investment fund share, it may not be possible to determine the value of the Securities. Even where regular valuations of an investment fund are provided, the valuation and/or publication of such values may be suspended in certain circumstances. Furthermore, the net asset value of an investment fund may rely to a considerable extent (or even completely) on estimated values which may prove later to be incorrect. Fees and commissions incurred by the investment fund may nonetheless be calculated on the basis of the estimated net asset values and may not be corrected subsequently.

Country or transfer risks

An investment fund's assets may be subject to specific country or transfer risks. A country risk exists when a foreign borrower, despite ability to pay, cannot make payments at all, or not on time, because of the inability or unwillingness of its country of domicile to execute transfers. This means that, e.g., payments to which the fund is entitled may not occur, or be in a currency that is no longer convertible due to restrictions on currency exchange. Furthermore, investing in foreign countries involves the risk of detrimental international political developments, changes in government policy, taxation and other changes in the legal status.

Risks resulting from the possible effects of redemptions of Fund Shares

Substantial redemption requests could require a fund to liquidate its assets more rapidly than otherwise intended pursuant to its investment program to raise liquidity for making payments to holders of Fund Shares in connection with a redemption request. As result, and due to a reduction of the fund's asset portfolio, the fund may be less diversified. In addition, costs (e.g. transaction costs) have a more significant impact on the value of the fund.

Substantial redemption requests may, in certain circumstances, even lead to a premature dissolution of the fund. In addition, the redemption of Fund Shares could be contemporarily suspended by the fund.

Specific risks affecting closed investment funds

The legal environment and requirements for closed investment funds (qualifying as AIFs) are less strict and provide less protection for investors than is the case for UCITS. In the case of closed investment funds, capital commitments may be subject to capital drawdown requirements arising over time with the result that the investment of the full amount of a capital commitment could be financed over a number of years. The capital commitment may also be subject to a time limit and the relevant investment fund may not be required to pay its capital commitment in full. In consequence of the nature of the various types of capital commitments, there can be no guarantee that the full amount of the capital commitment will in fact be drawn down in due course or at all.

Risks resulting from potential cross liability

If the investment fund is a sub-fund within an umbrella structure, the performance of the investment fund is subject to the additional risk that a sub-fund is liable in general towards third parties for the liabilities of another sub-fund within the umbrella structure.

If the Underlying or the Basket Component is a Fund Share of a certain class of shares of an investment fund, the performance of the Underlying is subject to the additional risk that this class of shares is liable in general towards third parties for the liabilities of another class of shares of the investment fund.

Risks with regard to public holidays

Public holidays in jurisdictions other than the country, where the Fund is domiciled, may lead to a situation, where Fund Shares cannot be purchased or sold on the respective markets. This can result in unexpected price losses and delays with regard to execution or settlement of transactions. Any such losses or delays may have a negative impact on the value of the Fund Shares.

9. General risks from investment activities in the case of Fund Shares as the Underlying or as Basket Components

Market risks

The development of the prices and market values of the assets which are held by an investment fund is particularly dependent on the developments of the financial markets which themselves are influenced by the general condition of the world economy and the political parameters in the relevant countries. The general development of prices, in particular on securities exchanges, may also be affected by irrational factors such as sentiments, opinions and rumors.

Currency risks

An investment fund's income denominated in currencies other than the currency of that investment fund is subject to movements in the exchange rates of the currencies of the investments. This risk depends on the fluctuations of those currencies against the domestic currency of the investment fund and can result in further profits or losses for the investment fund in addition to those generated by the movement in price of the relevant asset.

Risks due to lack of liquidity of the assets and financial instruments purchased

The markets for some assets and financial instruments have only limited liquidity and depth. This may represent a disadvantage for an investment fund investing in those assets, both from the point of view of realising the sale of investments and of the investment process, leading to higher costs and possibly to lower returns.

Counterparty risks

Not all investment funds are subject to restrictions relating to the contractual partners (counterparties) with which they enter into transactions for investment purposes. As a consequence, they are exposed to a certain extent to a general risk of non-payment (counterparty or issuer risk). Even if utmost care is exercised in the selection process, losses as a consequence of an (impending) default of a counterparty cannot be ruled out.

Settlement risks

Especially when investing in unlisted assets, there is a risk that settlement via a transfer system may not be executed as expected because a payment or delivery did not take place in time or as agreed. Also when selling or buying real estate or tangible assets, procedural defects can result in ownership not rightfully being transferred, which leads to delay of the transaction, additional costs and legal uncertainty.

Concentration risks

Investment funds which concentrate their investment activities on a small number of assets, markets or industry sectors generally have a more pronounced earnings and risk profile than investment funds with widely diversified investments. In addition to higher potential profits, this may result in higher risk and increased volatility. As an example, regional investment funds or country funds are subject to a higher risk of losses because they depend on the performance of particular markets and do not attempt to diversify risk more widely by investing in a variety of markets. Likewise, sector funds such as commodity, energy or technology funds entail an increased risk of losses because they do not aim to diversify risk with a wider range of investments across different sectors either.

Risks arising from suspensions of trading

Securities, currency and commodities exchanges are typically able to suspend or restrict trading in any instrument traded on such an exchange. A suspension could make it impossible for an investment fund to liquidate its positions, which may result in losses for that investment fund.

10. Specific risks relating to Fund Management in the case of Fund Shares as the Underlying or Basket Component(s)

Risks due to dependence on the fund managers

The financial success of an investment fund is crucially dependent on the abilities, experience and expertise of the respective fund managers. If the fund managers responsible for investing the assets of the investment fund or the persons responsible for managing the fund are no longer available to administer the portfolio, this may have a negative effect on the financial performance of the relevant investment fund. Moreover, subjective (rather than systematic) decisions by the persons responsible for managing the fund may generate losses or prevent profits. Furthermore, it cannot be ruled out that the fund managers of an investment fund fail to adhere to the agreed investment strategies.

Risks in the event of limited disclosure of investment strategies

It may happen, especially in the case of AIFs, that an investment fund's investment strategy is disclosed only to a limited extent. In this event, it is not possible to analyse and review the investment fund's investment strategy given that it has not been disclosed, or disclosed only partially.

Risks due to possible changes of investment strategies

The investment strategy of an investment fund may change over time. The fund managers may therefore no longer follow the same investment strategy in the future that they applied in the past. In addition, in some cases the specific details of the particular investment strategy may be proprietary, and consequently investors in the investment fund will not have access to the full details of those methods or be able to check whether those methods are being followed. In particular, an investment fund may seek to engage in increasingly less liquid investments in an effort to achieve above-average risk-adjusted returns.

Risks due to the agreement of performance bonuses

Where an investment fund pays its fund management team or an investment advisor a performance-related commission or a share of profits in addition to a standard basic fee for investment advice, this may create an incentive for the recipient to make riskier or more speculative investments than would otherwise be the case. The riskier an investment is, the greater the risk of generating losses for the investment fund. It may also be the case in some circumstances that the remuneration received by an investment fund's fund managers does not stand up to an arm's length comparison and may be greater than the fees that a different investment manager might have required.

Risks due to "soft dollar" services

When selecting brokers, banks, traders, advisors, and other service providers for an investment fund under their management, the managers of that investment fund may take into account certain products or services provided by or costs borne by these persons, in addition to factors such as price, reliability and creditworthiness. "Soft dollar" services of this nature may induce the fund managers to enter into transactions on behalf of the investment fund with, or to purchase services from, a person, even if that person is not offering the most favorable terms.

Risks arising from misconduct by the fund managers

Misconduct on the part of its fund managers may result in the respective investment fund being exposed to claims for damages by third parties or suffering substantial losses up to and including the total loss of the assets under management. This includes, for example, failure to observe the agreed investment strategies, misappropriation of fund assets, issuing false reports about the investment activities or the discovery of other forms of misconduct. There is also the possibility of breaches of securities laws due to the improper use of confidential information or the falsification of information that is significant for valuation purposes, which could result in some circumstances in substantial liability for damages to third parties or liabilities in connection with payments out of realised income or penalties imposed on the investment fund itself.

Risks due to possible conflicts of interest

The fund managers of an investment fund or the persons acting on its behalf may face conflicts of interest for a wide variety of reasons in connection with their management activities for the investment fund. Such conflicts of interest may arise, for example, in connection with the valuation of assets for which there is no easily ascertainable market price and whose value affects the remuneration of the fund managers. Furthermore, the fund managers may have other advisory appointments and be faced with the problem of sharing investment opportunities and transactions equally between all the clients for which they are responsible. Portfolio managers may also from time to time sell assets of an investment fund under their management to others of their clients, or purchase such assets from a client, or incur a conflict of interest because they are acting on behalf of customers who are buying and selling the same security. Finally, the fund managers of an investment fund may acquire ownership of, or some other financial interest in, particular external asset managers of the investment fund under their management and be faced with a conflict of interest as a result.

11. Specific risks arising from assets purchased in the case of Fund Shares as the Underlying or Basket Component(s)

General risks involved with investments in securities

An investment in securities involves the possibility that the creditworthiness of the issuer of the security may deteriorate during its term. This fact may have a negative effect on the value of the security.

Specific risks involved with investments in stocks

Stocks involve certain risks such as an insolvency risk with respect to the relevant issuer, a price risk or a dividend risk. The performance of stocks substantially depends on the development of the capital markets which themselves are influenced by the general state of the world economy and the economic and political framework. Stocks of issuers with low or medium market capitalisation may even be subject to greater risks (e.g. with regard to their volatility or insolvency risk) than would be the case for stocks of larger companies. Moreover, stocks with low trading volumes and issuers with a low market capitalisation may be rather illiquid.

Specific risks involved with investments in interest-bearing securities

An investment in fixed-interest securities involves the possibility that the market level of interest rates at the time the relevant security is issued may change thereafter. If market interest rates rise compared to their level at the time of issuance, the price of fixed-interest securities will usually decline. If market interest rates fall, however, the price of fixed-interest securities will usually rise. Fluctuations differ depending on the term of the fixed-interest securities whereas securities with shorter terms typically involve lower price risks than securities with longer terms.

Specific risks involved with investments in assets with low credit ratings

If an investment fund invests directly or indirectly in assets with a low credit rating (such as, for example, in securities with a rating below investment grade or distressed securities or loans), this will entail significant risks of loss for the relevant investment fund. Investments of this nature may be negatively affected by statutory provisions and other applicable regulations relating, for example, to insolvency proceedings, fraudulent transfers and other voidable transfers or payments, lender liability and the forfeiture of certain rights. In addition, the market prices of these assets are subject to abrupt and unpredictable market movements and above-average price volatility, while the spread between the bid and offer price of such securities may be larger than is usual in other securities markets.

Specific risks involved with investments in volatile and illiquid markets

If an investment fund invests in markets that are volatile or whose liquidity cannot be guaranteed, it may be impossible or expensive (especially in the event that trading is suspended or in the event of or daily price fluctuation limits in the trading markets or in other cases) for that investment fund to liquidate its positions with a contrary market movement. Alternatively, it may not be possible in certain circumstances

for a position to be opened or liquidated immediately (in the event that there is insufficient trading volume in the respective market or in other cases). Moreover, the market prices, if available, of investments subject to statutory or other restrictions on transfer or for which there is no liquid market generally display higher volatility, and in some circumstances it may be impossible to sell the investments at the desired time or to realise their fair value in the event of sale. Investments in securities that are not quoted on a securities exchange or are traded in the over-the-counter market may be less liquid than publicly traded securities due to the absence of a public market for such securities. Furthermore, it may only be possible to sell non-publicly traded securities at a much later time than intended and/or, even though it is possible to resell such securities by means of privately negotiated transactions, the price realised from the sale may be less than the price originally paid. In addition, companies whose securities are not registered or publicly traded are not subject to the same disclosure and other investor protection requirements as companies whose securities are registered or publicly traded.

Specific risks involved with investments in derivatives

Derivatives trading may involve substantial losses in excess of the capital invested (and any collateral). Due to their limited term, rights resulting from derivatives may expire or show a substantial decline in value. Financial instruments intended to modify or act as a substitute for the movement in price of certain securities, currencies, markets, volatilities etc. generally involve a counterparty risk. The purchase of derivatives with borrowed funds may lead to a significant amplification of market trends. It may not be possible to execute transactions intended to exclude or limit the risks from derivative transactions, or only to execute such transactions at a loss. In the case of derivatives consisting of a combination of various underlying instruments, the risks inherent in the individual underlyings may be intensified. If two consecutive transactions are executed (e.g. in case of options on financial futures and securities index options), additional risks may arise as a result of the executed transaction which may be much greater than the risk associated with the first transaction. The risks in connection with derivatives transactions depend on the positions acquired for the funds. Potential losses may be limited to the price paid for an option or may be well in excess of the collateral, require additional collateral or result in indebtedness without the risk of loss being determinable in advance. In the case of derivatives that are traded on a non-regulated market, legal uncertainty may arise as a result of the non-regulated environment.

Specific risks involved with investments in real estate and other tangible assets

Investments in real estate and other tangible assets are exposed to particular risks especially with respect to their market value and the ongoing income generated. This applies both to direct investments and to investments via intermediate companies. The risks specific to real estate, in addition to currency risks in the case of real estate located in foreign countries and the risks arising from the general performance of the economy, include risks relating to the specific property such as possible vacancies, rent arrears and defaults, historical environmental damage or construction defects. This applies to a similar extent for other tangible assets with the additional possibility of specific operator risks in particular cases. The condition of the asset and possible liability risks (e.g. as a consequence of environmental liability) may in some circumstances necessitate expenditure for maintenance, modernisation or remedial work that cannot be accurately estimated. Risks arising from natural hazards such as fire, floods, storms or earthquakes may in some circumstances be uninsured or uninsurable, or inadequately insured or insurable. Development projects may involve risks arising, in particular, from delays in authorisation processes or the construction work, or in the event that the budgeted costs are exceeded or that contractual partners exit from the project. In the case of assets situated in foreign countries, specific legal or tax risks may also arise (including an increased management and disposal risk). Investments via intermediate companies may entail additional legal and tax risks (including the risk that the shareholding in the intermediate company may be subject to restrictions on its transferability in some circumstances).

Specific risks involved with investments in commodities

The performance of commodities is subject to a multitude of factors over which the Issuer has no influence. Among others, they include fluctuating relationships between supply and demand, weather conditions, governmental, agricultural, political and economic measures, trade programs and directives

aimed at affecting prices on the commodity exchanges, as well as interest rate fluctuations. The development of spot prices for commodities tends to be difficult to follow and may vary in different localities. Furthermore, the purchase, holding and sale of commodities may be subject to restrictions or additional taxes, charges or fees in certain jurisdictions. For particular legal reasons (e.g. because of governmental orders) or practical reasons (e.g. because no insurance coverage may be available), the ability to arrange physical delivery of certain commodities may be restricted and therefore influence their price. Finally, the prices for commodities may be subject to significant fluctuations as a consequence of changes in inflation rates or inflation expectations, their general availability and supply, bulk selling by government bodies or international organisations, speculative activity and monetary or economic decisions made by governments.

Specific risks involved with investments in precious metals

The holding, purchase or sale of precious metals may be subject to restrictions additional taxes, charges or fees in certain jurisdictions. The ability to arrange physical delivery of precious metals may be restricted for legal reasons (e.g. as a result of orders by government authorities) or for practical reasons (e.g. because the risk attaching to such deliveries cannot be insured). The prices for precious metals may be subject to significant fluctuations as a consequence of changes in inflation rates or inflation expectations, the availability and supply of precious metals, or due to bulk selling by government bodies, central banks or international agencies, speculative investment activity and monetary or economic decisions made by governments.

Specific risks involved with investments in foreign currencies

Foreign exchange trading may be subject to sharp movements in exchange rates and entails a significant risk of loss. Speculation in foreign currencies also involves counterparty risk since foreign exchange transactions are arranged on a principal to principal basis.

Specific risks involved with investments in other investment funds (Fund of Funds)

Where an investment fund ("**Fund of Funds**") invests in other investment funds ("**Target Funds**"), specific risks apply. The Target Funds in a Fund of Funds portfolio generally invest independently from each other and may from time to time hold economically converse positions. Moreover, the Target Funds may compete with each other for the same positions in certain markets. There can therefore be no guarantee that the selection of a number of Target Funds will be more successful than the selection of only a single Target Fund. The portfolio of a Fund of Funds may also be composed of only a few Target Funds and/or may be focused on particular strategies. Such a concentration on only a few investment managers and/or investment strategies involves particularly high risks and may lead to larger losses than in the case of a broad diversification of assets.

The fund managers of the respective Target Funds act independently from each other. It may therefore happen that different investment funds may pursue the same or opposite investment strategies. This can lead to an accumulation of existing risks and to the neutralisation of potential opportunities to generate profits. In general, the investment manager of a Fund of Funds is not in a position to control the management of the Target Funds. The investment decisions of the Target Fund manager will not necessarily match the assumptions and expectations of the manager of the Fund of Funds. Furthermore, the current composition of the investments of the Target Fund will often not be known to the investment manager of the Fund of Funds. If the investment manager's assumptions and expectations regarding the investment composition of the Target Fund are not met, the fund manager may react by requesting redemption with respect to the Target Fund only after a substantial delay.

The valuation of the portfolio of a Fund of Funds may be subject to variations over time as a result of a large number of factors, in particular the valuation of the individual Target Funds whose value is also subject to variations over time. Variations in the value of a Target Fund may be offset by variations in the value of a different Target Fund, but may also be amplified. In addition, the valuation of the Target Funds is strongly dependent on the availability of prices and this can be assumed only in a very restricted form. The value of the share can only be determined on the basis of the information available about the values of

the shares in the Target Funds. As a result, it may be generally the case that there are significant delays between the time at which events affecting the value of the fund assets occur, and the time at which they are notified.

The Fund of Funds must bear not only its own administration and management fees but also the administration and management fees of the Target Fund. There is therefore generally a doubling of the fees borne by the fund. A Fund of Funds normally pays substantial charges (including the Target Fund managers' fees based on assets under management and performance-related allocations or fees) which, if incurred, are payable irrespective of the overall profitability of the Fund of Funds (as opposed to the profitability of the individual Target Fund). A Fund of Funds typically provides for a performance-related fee or allocation to its general partner, manager or person serving in an equivalent capacity over and above the management fee based on assets under management. The fees and expenses incurred by a Fund of Funds reduce the net asset value and therefore the performance of such a Fund of Funds. Consequently, the value of a Fund of Funds does not fully reflect the total performance of the Target Funds it is invested in.

Target Funds and their respective fund managers may be subject to varying levels of regulation. Certain investments in funds and accounts opened and maintained may not be subject to comprehensive government regulation. The managers of such Target Funds may not be covered by insurance or by fidelity bonding. Moreover, the Fund of Funds generally has no control over the selection of the depositories for the assets of the Target Funds, which may also be subject to a lower degree of government supervision or regulation than commercial banks, trust companies or securities dealers.

The flexibility of the Fund of Funds manager when transferring assets and its ability to control risks due to the Fund of Funds structure are subject to certain limitations. The Fund of Funds may be unable in certain circumstances to withdraw its capital from a Target Fund, with the result that redemption requests from shareholders of the Fund of Funds may only be processed some months after the manager or advisor has determined that the Target Fund has begun to deviate from its previously announced trading strategies. It may be impossible for the Fund of Funds to redeem its shares in the underlying Target Funds when desired or to realise their market value in the event of such redemption. Furthermore, the Target Funds in which the Fund of Funds invests are not subject to the disclosure and other investor protection requirements that would be applicable if their securities were registered or publicly traded. In addition, the Fund of Funds may be invested solely in Target Funds with below average liquidity.

Specific risks involved with investing exclusively in another investment fund (Feeder Fund)

Where an investment fund ("**Feeder Fund**") invests its assets more or less exclusively in another investment fund ("**Master Fund**"), the value of the investment may, if the Feeder Fund has a relatively small share in the Master Fund, be dependent on the actions of the other investors holding a larger share in the Master Fund, since they have a majority of the votes. Multiple Feeder Funds investing in the same Master Fund can result in an increased risk of conflicts of interest, especially for tax reasons. If a large shareholder redeems its shares in the Master Fund, the expense ratio for the remaining investors will increase. Furthermore, as the redemption of shares will lead to the sale of a significant portion of the Master Fund's assets, the remaining portfolio will be less diversified.

12. Specific risks due to particular portfolio management techniques in the case of Fund Shares as the Underlying or Basket Component(s)

Risks of raising debt capital

Where debt capital is raised for the account of an investment fund, this creates an additional layer of indebtedness which may have a negative impact on the performance of the relevant investment fund in the event that the portfolio value falls and returns are negative. This also applies to debt capital raised in the case of investment vehicles in which an investment fund invests directly or indirectly. If the returns and the growth in value of investments financed with debt are less than the costs of raising that debt, the net asset value of the relevant investment fund will fall. Accordingly, any event that has a negative effect on the value of an investment made by the investment fund or the underlying investment vehicles will be

magnified to the extent that debt has been employed. The cumulative effects of using debt in a market moving against an investment financed with debt could result in a substantial loss, which may be greater than if debt capital had not been employed.

Where the investment strategy of an investment fund requires the use of significant amounts of debt, there can be no guarantee that financing arrangements will always be available, and the absence of such arrangements or a reduction in credit lines could mean that the relevant investment fund has to reduce its investment commitment accordingly. Furthermore, the terms on which financing arrangements are available may be subject to revision. There is no guarantee that a financing arrangement will be extended. In particular, there may be no third parties available as lenders. In addition, any financing agreement may be subject to early termination in accordance with its terms and conditions and be terminated by the counterparty. The loss, termination or reduction of a financing arrangement could result in the relevant hedge fund cutting its investment commitment and lowering its expected investment return accordingly. The extension of a financing arrangement may be subject to a change in the terms and conditions of that arrangement, which could include a change in the applicable interest margin, among other things. The interest expense for debt financing could be substantial and necessitate a reduction of the relevant investment fund's commitment in its investment strategy. A further factor is that debt-financed transactions generally involve the provision of collateral. Higher margin deposits or similar payments could require trading transactions to be carried out at times and prices that are disadvantageous for the relevant investment fund or the underlying investment vehicles and result in significant losses.

Risks involved with short sales

If the investment strategy of an investment fund includes short sales (i.e. the sale of assets that are generally not in the seller's possession at the date of sale), this is done in the expectation of buying the relevant asset (or an exchangeable asset) at a lower price at a later date. Firstly, the asset sold must be borrowed to enable it to be delivered to the purchaser. The asset to be returned to the lender is purchased. A short sale of this nature will generate a loss if the value of the relevant asset increases between the date of the short sale and the date at which the asset is purchased. A short sale therefore theoretically incorporates an unlimited risk with respect to an increase in the price of the relevant asset, which could theoretically result in unlimited losses. There can also be no guarantee that the assets needed to cover a short position will be available for purchase. In addition, there are regulations in some markets prohibiting short sales at a price below the most recent selling price, which may prevent short sales being executed at the most favorable time.

Risks due to the use of trading systems and analytical models

If complex trading systems and programs are used for the purpose of managing an investment fund, then, together with the rapidity and size of the transactions, they may sometimes result in contracts being entered into that in hindsight would not have been required by the trading system or program. The investment fund will have to bear the losses generated by contracts entered into unintentionally in this manner. Moreover, particular strategies may be used in the management of an investment fund that are dependent on the reliability and accuracy of the portfolio manager's analytical models. To the extent that such models (or the assumptions underlying them) prove to be incorrect, the investment fund cannot achieve its performance objectives as anticipated, which may result in considerable losses.

Risks involved with lending securities

In order to generate additional income, investment funds may lend securities to broker-dealers, major banks or other recognised institutional borrowers of securities. The investment funds earn income from these securities loan transactions, which are generally collateralised by cash, securities or documentary credits. An investment fund might suffer a loss if the borrowing financial institution does not meet its obligations under the securities loan transaction. Securities loan transactions are subject to termination at the option of the fund or the borrower at any time. The investment fund may pay reasonable administrative and custodian fees in connection with a securities loan and may pay an agreed portion of the income earned on the cash deposited to the borrower or placing broker. As with other extensions of credit, there are risks of delay in return or even loss of rights in the collateral should the borrower be

unable to comply with its financial obligations. There is a risk that the securities lent may not be available to the investment fund again at the proper time and that it may therefore lose the opportunity to sell the securities at a desirable price. Engaging in securities lending transactions may also have a leveraging effect, which may intensify the market risk, credit risk and other risks associated with investing in an investment fund. When an investment fund lends its securities, it is responsible for investing the cash collateral it receives from the borrower of the securities and could incur losses in connection with the investment of such cash collateral.

Risks involved with entering into sale and repurchase transactions

An investment fund may enter into sale and repurchase transactions which involve the sale of securities held by the investment fund with a simultaneous agreement that the investment fund will repurchase such securities at an agreed price and date. This process involves the lending of particular securities to pre-approved counterparties or broker-dealers and a cash amount is received in return. Normally, 102% of the value of the securities is deposited as collateral with the counterparty; however, the figure is negotiable and may vary depending on the type of collateral employed. Higher collateral may be required for more volatile securities. If the income and gains on the securities purchased with the proceeds of these transactions exceed the costs of the transactions, then an investment fund's net asset value will increase more rapidly than would otherwise be the case; conversely, if the income and gains on the securities purchased in this way do not exceed the costs of the transaction, the net asset value will fall faster than would otherwise be the case. The use of sale and repurchase transactions as a method of leverage may increase an investment fund's return; however, these transactions may also increase the risks for the investment fund's portfolio and result in a capital loss for the investors in the investment fund.

Specific investment risks involved with synthetic investment strategies

Specially structured derivative instruments (such as swap contracts) may also be used in managing investment funds, in order to benefit synthetically from the financial performance of an investment in particular assets or baskets of assets. Transactions of this nature involve particular risks. If an investment fund enters into a transaction with respect to a derivative instrument in which it undertakes to take over the payments from a particular asset or a basket of assets, in some circumstances it may not be able to increase or reduce its position during the term of that instrument. Moreover, synthetic derivative instruments are generally highly illiquid and it may not be possible to terminate them prior to the respective maturity date, or it may be possible to do so only by incurring contractual penalties. The use of synthetic derivative instruments does not convey any rights of ownership or control or other rights that would be acquired in the event of a direct investment in the underlying assets.

Risks involved with entering into hedging transactions

The portfolio managers of an investment fund may make use of a variety of derivative financial instruments, such as options, interest rate swaps, caps and floors, futures and forward contracts, both for investment purposes and for hedging purposes (hedging transactions). Hedging transactions entail particular risks including possible default by the counterparty to the transaction, illiquidity, and, if the respective portfolio manager's or advisor's assessment of particular market movements is incorrect, the risk that the use of hedging transactions could result in greater losses than would have been the case without those transactions. Nonetheless, with respect to certain investment positions, an investment fund may not be sufficiently hedged against market fluctuations; in that case, an investment position could generate a greater loss than would have been the case if the investment fund had hedged the position adequately. Moreover, it should be noted that an investment fund's portfolio will always be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and to counterparties).

Specific risks involved with investments in emerging markets

Investments in emerging markets entail particular risks. Emerging markets are up-and-coming economies (in particular in Latin America, Asia and Africa) i.e. regions with very rapid growth in some cases, but whose capital markets are also highly volatile and illiquid. The currencies in which such investments are

made may be unstable and not freely convertible, and may suffer a rapid fall in value. The value of investments in emerging markets may be affected by political, legal and fiscal uncertainties. Emerging markets are generally at an early stage of development, have only low market volumes, are less liquid and display greater volatility than established markets. In addition, they have hardly any regulations and existing laws may not be applied consistently. The execution of transactions may be subject to delays and administrative uncertainties. Custodians may not be in a position to provide the same degree of service, security, settlement and management of financial instruments as would be normal in better developed markets.

Specific risks associated with exchange traded funds ("ETFs")

ETFs generally aim to replicate the performance of a particular index, basket or individual asset. However, the constitutional documents or the investment program of an ETF allow the Benchmark to be replaced in certain circumstances. As a result, the ETF might not continuously replicate the performance of the original Benchmark. ETFs may either replicate the performance of a Benchmark fully by investing directly in the assets included in the relevant Benchmark or use synthetic replication techniques like swaps or other sampling techniques. The value of ETFs is therefore particularly dependent on the value and performance of the assets and securities used to replicate the Benchmark. Nevertheless, differences between the unit price of the ETF and the actual value of the Benchmark cannot be ruled out.

In contrast to other funds ETFs are generally not actively managed. Instead, investment decisions are predetermined by the relevant Benchmark and its constituent assets. A negative performance of the Benchmark usually results in a decline of the ETF's net asset value and the unit price determined on the relevant exchange. Moreover, the replication of a Benchmark typically entails additional risks such as the risk that some Benchmark constituents may be illiquid or the credit risk relating to swap counterparties; in particular, ETFs using derivatives to replicate or hedge positions may incur disproportionately high losses in the case of an unexpected negative performance by the Benchmark due to the leverage effect.

There can be no guarantee in the case of ETFs that an admission to trading or quotation can be maintained at all times. The unit price of an ETF is composed of the total value of all the securities in its portfolio, less any liabilities, i.e. the net asset value. A decline in the unit price or value of the fund's securities or other investments while replicating the performance of a Benchmark (the "**Benchmark**") will result in losses for the fund and the fund units. Even a wide spread of investments and broad diversification cannot exclude the risk of a decline in the unit prices due to the negative development of particular markets. The unit price of an ETF is determined on the basis of supply and demand. This unit price may differ from the final net asset value published by the investment fund. Divergences may therefore arise between the unit price and the actual net asset value during trading hours.

RESPONSIBILITY STATEMENT

UniCredit Bank AG having its registered office at Arabellastraße 12, 81925 Munich, Germany, UniCredit International Bank (Luxembourg) S.A. having its registered office at 8-10 rue Jean Monnet, L-2180 Luxembourg, and UniCredit S.p.A. having its registered office at Via A. Specchi 16, 00186, Rome, Italy, accept responsibility for the information contained in this Base Prospectus. The Issuers and the Guarantor declare that the information contained in this Base Prospectus is, to the best of their knowledge, in accordance with the facts and that no material information has been omitted.

CONSENT TO THE USE OF THE BASE PROSPECTUS

The relevant Issuer and, if the Securities are Guaranteed Securities, the Guarantor, each hereby consent to the use of the Base Prospectus 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 9 of the Prospectus Directive.

The relevant Issuer and, if the Securities are Guaranteed Securities, the Guarantor, each accept 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: Austria, France, Germany, Italy, Luxembourg.

The Issuer's and, if the Securities are Guaranteed Securities, the Guarantor's consent to the use of the Base Prospectus is 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 relevant 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 relevant 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 Offer Period specified 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 relevant Issuer and, if the Securities are Guaranteed Securities, the Guarantor reserve the right to withdraw their 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 relevant Issuer (<http://www.onemarkets.de> for UniCredit Bank AG and <http://www.unicredit.lu> for UniCredit International Luxembourg) (or any successor website).

DESCRIPTION OF THE ISSUERS AND THE GUARANTOR

Description of HVB

UniCredit Bank AG, formerly Bayerische Hypo- und Vereinsbank Aktiengesellschaft, was formed through the merger of Bayerische Vereinsbank Aktiengesellschaft and Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft, which was registered with the commercial register on 31 August 1998. The description of HVB is incorporated by reference into this Base Prospectus. The incorporation is made by reference to the description of the Issuer included in the Registration Document of UniCredit Bank AG dated 21 April 2017 and the Unaudited Consolidated Half-Yearly Financial Report of HVB Group as at 30 June 2016. A list stating where the information incorporated by reference may be found is set out on pages 484 seq.

Description of UniCredit International Luxembourg

The description of UniCredit International Luxembourg is incorporated by reference into this Base Prospectus. The incorporation is made by reference to the description of the Issuer included in the EMTN Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016, the first supplement dated 6 July 2016, the second supplement dated 16 August 2016 and the third supplement dated 2 May 2017. A list stating where the information incorporated by reference may be found is set out on pages 484 seq.

Description of UniCredit

The description of the Guarantor is incorporated by reference into this Base Prospectus. The incorporation is made by reference to the description of the UniCredit included in the EMTN Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016, the first supplement dated 6 July 2016, the second supplement dated 16 August 2016 and the third supplement dated 2 May 2017. A list stating where the information incorporated by reference may be found is set out on pages 484 seq.

GENERAL DESCRIPTION OF THE PROGRAMME

The Securities to be issued under this Base Prospectus will be issued by (i) UniCredit Bank AG ("**UniCredit Bank**" or "**HVB**") under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG, or (ii) UniCredit International Bank (Luxembourg) S.A. ("**UniCredit International Luxembourg**") under the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. HVB and UniCredit International Luxembourg are each an "**Issuer**" and together the "**Issuers**". The payment of all amounts due in respect of the securities issued by UniCredit International Luxembourg will be guaranteed by UniCredit S.p.A. ("**UniCredit**" or the "**Guarantor**").

Features of the Securities

General

The Securities will be issued as debt instruments with a Nominal Amount, constituting debt instruments in bearer form (*Inhaberschuldverschreibungen*) (pursuant to § 793 BGB). The method of calculating the redemption amount and/or the additional amount of the Securities is linked to the value of the Underlying at a certain point in time.

Under this Base Prospectus Securities of the product types mentioned below may be issued for the first time or the continuance of a public offer or an increase of Securities which have been publicly offered or admitted to trading for the first time before the date of this Base Prospectus (the "**Previous Products**") may be effected. In case of Previous Products, the Final Terms specify that they are to be read in conjunction with this Base Prospectus as well as along with another base prospectus which is specified in the Final Terms (a "**Previous Prospectus**"), of which the description of the Securities and the conditions of the Securities are incorporated by reference into this Base Prospectus. In this respect, the description of the Securities and the conditions of the Securities of the relevant product type are not printed in this Base Prospectus, but have to be read in the respective Previous Prospectus (see sections "Description of the Securities incorporated by reference in the Base Prospectus" and "Conditions of the Securities incorporated by reference in the Base Prospectus"). The name of the relevant product type is specified in the Final Terms.

Product types

Under this Base Prospectus, Securities of the following product types are issued:

- Product Type 1: Garant Securities
- Product Type 2: All Time High Garant Securities
- Product Type 3: FX Upside Garant Securities
- Product Type 4: FX Downside Garant Securities
- Product Type 5: Garant Cliquet Securities
- Product Type 6: Garant Cash Collect Securities
- Product Type 7: Garant Performance Cliquet Securities
- Product Type 8: Garant Digital Cash Collect Securities
- Product Type 9: Garant Performance Cash Collect Securities
- Product Type 10: Garant Digital Coupon Securities
- Product Type 11 : Garant Digital Cliquet Securities
- Product Type 12: Performance Telescope Securities
- Product Type 13: Garant Telescope Securities
- Product Type 14: Garant Coupon Geoscope Securities
- Product Type 15: Twin-Win Garant Securities
- Product Type 16: Win-Win Garant Securities

- Product Type 17: Icarus Garant Securities
- Product Type 18: Geoscope Securities
- Product Type 19: Garant Basket Securities
- Product Type 20: Garant Rainbow Securities
- Product Type 21: FX Upside Garant Basket Securities
- Product Type 22: FX Downside Garant Basket Securities
- Product Type 23: Proxy FX Upside Garant Basket Securities
- Product Type 24: Proxy FX Downside Garant Basket Securities
- Product Type 25: Garant Performance Telescope Basket Securities
- Product Type 26: Securities linked to Basket Target Vol Strategies
- Product Type 27: Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out
- Product Type 28: Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out

Form of the Securities

The Securities will either be represented by a permanent global note without interest coupons or initially by a temporary global note without interest coupons which will be exchangeable for a permanent global note without interest coupons, as specified in the Final Terms.

The Security Holders are not entitled to receive definitive Securities.

Underlying

The Underlying of the Securities may be, in case of Product Type 1-2, 5-17, 26 either a share or an American Depository Receipt (ADR) or a Regional Depository Receipt (RDR) (respectively a "**Depository Receipt**"), an index or a commodity.

In case of Product Type 3 and 4, the Underlying of the Securities is an exchange rate.

In case of Product Type 18-24, the Underlying of the Securities is a basket, comprising of several Basket Components. Basket Components may be either a shares or an American Depository Receipts (ADRs) or a Regional Depository Receipts (RDRs), indices, fund shares or commodities and, in case of Product Type 21-24, an exchange rate. Index may be the index described in the section "Description of indices composed by the Issuer or by any legal entity belonging to the same group" or another index which is not composed by the Issuer or any legal entity belonging to the same group. Further indices which are composed by the Issuer or any legal entity belonging to the same group of the Issuer may be included in the Base Prospectus as a potential Underlying of the Securities by way of a supplement. The Underlying is the main influencing factor on the value of the Securities.

In case of Product Type 1, 2, 5-14, 25-28, the Underlying of the Securities may be either units or shares of investment funds, including exchange traded funds (ETF) (each a "**Fund Share**") or indices related to Fund Shares or to a basket of Fund Shares. Index may be the index described in the section "Description of indices which are composed by the Issuer or any legal entity of the same group" or another index which is not composed by the Issuer or any legal entity belonging to the same group. Further indices which are composed by the Issuer or any legal entity belonging to the same group of the Issuer may be included in the Base Prospectus as a potential Underlying of the Securities by way of a supplement. The Underlying is the main influencing factor on the value of the Securities.

In general, the Security Holders participate in any positive as well as in any negative performance of the Underlying during the term of the Securities, whereas in the case of FX Downside Garant (Cap) Securities

and (Proxy) FX Downside Garant (Cap) Basket Securities, Security Holders benefit from any negative performance, and in the case of Twin-Win (Cap) Garant Securities and Win-Win (Cap) Garant Securities, Security Holders may also benefit from any negative performance. In general, the following applies: If the value of the Underlying rises, the value of the Securities regularly rises. If the value of the Underlying falls, the value of the Securities regularly falls accordingly. However, in the case of FX Downside Garant (Cap) Securities and (Proxy) FX Downside Garant (Cap) Basket Securities, the Security Holders participate in reverse to the performance of the Underlying. This means, if the value of the Underlying falls, the value of the Security regularly rises. If the value of the Underlying rises, the value of the Securities regularly falls.

The deduction of any fees or other price-influencing factors may also influence the actual performance of the Securities.

Term

The Securities have a fixed term, which may be reduced in certain circumstances.

Limitation of the rights

Upon the occurrence of one or more Adjustment Events, as specified in the relevant Final Terms, the Calculation Agent will in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities and/or all prices of the Underlying or its components determined by the Calculation Agent on the basis of the Terms and Conditions of the Securities, pursuant to the relevant Final Terms, in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible.

Upon the occurrence of a conversion event (the "**Conversion Event**") (as specified in the Final Terms) the Securities shall be redeemed at the Settlement Amount on the Maturity Date. The "**Settlement Amount**" is equal to the market value of the Securities plus interest accrued up to the Redemption Date at the market rate of interest being traded at that time for liabilities of the Issuer with the same remaining term as the Securities as of the tenth Banking Day following the occurrence of the Conversion Event, as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). However, the Security Holder receives at least the Minimum Amount.

Governing law of the Securities

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by German law.

Status of the Securities

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.

Quanto and Compo elements

Non-Quanto Securities are Securities where the Underlying Currency or the Currency of the Basket Components is the same as the Specified Currency. Quanto Securities are Securities where the Underlying Currency is not the same as the Specified Currency and where a currency protection element is provided. In the case of Quanto Securities, one unit of the Underlying Currency or the Currency of the Basket Component is equal to one unit of the Specified Currency.

Compo Securities are Securities where the Underlying Currency is not the same as the Specified Currency and no currency protection element is provided. In the case of Compo Securities, the Redemption Amount is converted into the Specified Currency before payment is made using the exchange rate (FX). The Security Holder therefore bears the entire exchange rate risk during the term of the Securities.

Representative of Security Holders

There shall be no representative of the Security Holders.

Method and time limits for delivery of the Securities

The Securities are delivered in terms of co-ownership of the Global Note which will be kept in custody. Delivery is provided for against payment or free of payment or any other delivery method as specified in the Final Terms.

Publications

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).

The Issuer does not intend to provide information following an issuance of Securities, unless either required by any applicable laws and regulations or the Terms and Conditions provide for an obligation to publish notices in certain cases. In such cases, a publication will be made on the Website for Notices as specified in the Final Terms (or any successor page) in accordance with § 6 of the General Conditions.

Issue Price

If the Issue Price per Security is specified prior to the start of the public offering, it will be set out in the Final Terms.

If the Issue Price per Security is determined after the start of the public offering, the Final Terms will specify the criteria or conditions, on the basis of which the Issue Price may be determined. In this case the Issue Price will be published after its specification on the website(s) as specified in the relevant Final Terms (or any successor page).

Pricing

The issue price at which the Securities will be initially offered (the "**Issue Price**") as well as the bid and offer prices quoted by the Issuer are based on internal pricing models of the Issuer. They may contain, beside upfront and distribution fees, an expected margin for the Issuer. Generally, the margin may contain costs, which, *inter alia*, cover the Issuer's costs for structuring the Securities, risk hedging of the Issuer and the distribution.

Selling concession or other concessions

Selling concessions or other concessions may be charged as set out in the Final Terms.

In the case of Securities offered to Italian consumers the Final Terms will also state the presumable value at which the Security Holders may liquidate the Securities in the case of divestment the day after the Issue Date.

Placing and distribution

The Securities may be distributed by way of public or private placements and either by the Issuer or through financial intermediaries as agreed between the Issuer and the relevant financial intermediary and as stated in the applicable Final Terms.

Admission to trading and listing of the Securities

Application has been made to the Luxembourg Stock Exchange for Single Underlying and Multi Underlying Securities issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's regulated market (as

contemplated by Directive 2014/65/EU). Application may also be made to list and trade Securities to be issued under the Programme on the markets or trading systems as set out in the Final Terms. In addition, the relevant Final Terms will specify all the regulated or other equivalent markets, on which, to the knowledge of the Issuer, securities of the same class of securities are already admitted to trading.

The Issuer may also make an application to listing of the Securities on another stock exchange, another market and/or trading system. In this case the Final Terms may indicate the respective other stock exchange, other market and/or other trading system and the earliest date (if known) on which the Securities are or will likely be listed.

The Securities may also be issued without being admitted to trading, listed or traded on any regulated or other equivalent market, any other stock exchange, any other market and/or trading system.

Even if the Issuer makes such application there is no guarantee that this application will be granted or that an active trading will occur or develop.

Potential investors

The Securities may be offered to qualified investors and/or retail investors and/or institutional investors as stated in the Final Terms.

If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, such information will be given in the Final Terms.

Terms and conditions of the offer

If applicable, the following details regarding the terms and conditions of the offer will be indicated in the Final Terms:

- (i) day of the first public offer;
- (ii) start of the new public offer;
- (iii) information about the continuance of a public offer of Securities which have already been issued;
- (iv) information about the increase of Securities which have already been issued;
- (v) information about the manner and date in which results of the offer are to be made public;
- (vi) a subscription period;
- (vii) the country(ies) where the offer(s) to the public takes place;
- (viii) smallest transferable and/or tradable unit or amount;
- (ix) the conditions for the offer of the Securities;
- (x) possibility of an early termination of the public offer.

Distributors

Under this Programme, the Issuer may from time to time issue Securities to one or more financial intermediaries acting as a distributor (each a "**Distributor**" and together the "**Distributors**") as set out in the Final Terms. The Distributors may underwrite the Securities with or without a firm underwriting commitment or under a best efforts arrangement as agreed in a subscription agreement.

In the case of Securities offered to Italian consumers, the Issuer or the Distributor is the intermediary responsible for the placement of the Securities ("*Responsabile del Collocamento*"), as defined in article

93-bis of the Italian Legislative Decree 24 February 1998, n. 58 (as subsequently amended and supplemented).

Offer during a subscription period

The Securities may be offered to the public during a Subscription Period. For the purpose of acquisition, a potential investor has to make a subscription order to be forwarded to the Issuer during the Subscription Period. If specified in the Final Terms, the Securities may be offered continuously thereafter. The Issuer reserves the right to extend or shorten the subscription period or to withdraw the issue prior to the Issue Date during the Subscription Period for any reason. The Issuer has the right to accept or reject the subscription orders of potential investors in whole or in part, irrespective of whether or not the intended volume of the Securities to be placed is reached. The Issuer has the right to make allocations at its own discretion; whether and to what extent the Issuer exercises such right is subject to its own discretion. Potential investors who made purchase offers in the form of subscription orders may presumably be informed by the Issuer from the first Banking Day onwards following the end of the Subscription Period on the number of Securities allocated to them. Trading in the Securities may start prior to the notification of the allocation. Subscription orders are irrevocable, except for Securities being offered to consumers. In the case of Securities being offered to consumers, subscription orders are subject to revocation rights applicable to the "door to door selling" and the "long distance technique selling".

Method for calculating the yield

The yield cannot be calculated for any of the Securities described in the Base Prospectus at the time of the issue of the Securities.

Ratings

HVB

Investors should keep in mind that a rating does not constitute a recommendation to purchase, sell or hold the debt securities issued by the Issuer.

Moreover, the ratings awarded by the rating agencies may at any time be suspended, downgraded or withdrawn.

Securities currently issued by HVB have been rated as follows by Fitch Ratings Ltd. ("Fitch"), Moody's Investors Service Ltd. ("Moody's") and Standard & Poor's Ratings Services ("S&P") (Status: April 2017):

	Long-term Preferred Senior Notes ¹	Long-term Non-Preferred Senior Unsecured Notes ¹	Subordinated Notes	Short-term Notes	Outlook
Moody's	A2 ²	Baa1 ³	Baa3	P-1	Stable
S&P	BBB ⁴	BBB ⁻⁵	BB+	A-2	Developing ⁷
Fitch	BBB+ ⁶	BBB+ ⁶	BBB	F2	Negative

¹ Due to an amendment to section 46f of the German Banking Act ("**KWG**"), which revises the ranking of bank debt in the event of insolvency, the rating agencies have developed a sub-division into 2 rating categories for long-term senior debt previously grouped into a single category.

² Designation by Moody's: "Senior senior unsecured bank debt".

³ Designation by Moody's: "Senior unsecured".

⁴ Designation by S&P: "Long-term Senior Unsecured".

⁵ Designation by S&P: "Long-term Senior Subordinated".

⁶ Designation by Fitch: "Long-term Issuer Default-Rating".

⁷ Not applicable to Long-term Non-Preferred Senior Unsecured Notes.

Ratings

A rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Fitch's long-term credit ratings are set up along a scale from AAA, AA, A, BBB, BB, B, CCC, CC, C, RD down to D. Fitch uses the intermediate modifiers "+" and "-" to denote relative status within the categories from AA to B. Fitch has also the possibility for guidance (termed "on watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (evolving). Outlooks are used to indicate the direction of a rating as the indication could be positive, negative, stable or evolving. Fitch's short-term ratings reflect a bank's vulnerability to default in the short term at the levels F1+, F1, F2, F3, B, C, RD and D.

Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter-rating category, the modifier "2" indicates a mid-range ranking and the modifier "3" indicates that the bank is in the lower end of its letter-rating category. Moody's also has the option of adding further guidance (referred to as "under review") as to whether a rating is likely to be upgraded (possible upgrade), downgraded (possible downgrade) or uncertain (direction uncertain). Outlooks are assigned indicating the direction of any pressure. Characteristics are positive, negative, stable and developing. Moody's short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).

S&P assign long-term credit ratings on a scale from AAA, AA, A, BBB, BB, B, CCC, CC, C, SD to D. The ratings from AA to CCC may be modified by the addition of a "+" or "-" to show the relative standing within the major rating categories. S&P may also offer guidance (termed a "credit watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). Outlooks are an indicator for the rating direction. S&P uses positive, negative, stable and developing outlooks. S&P assigns short-term credit ratings for specific issues on a scale from A-1+, A-1, A-2, A-3, B, C, SD down to D.

HVB confirms that the information contained in this section "Ratings" has been accurately reproduced and that as far as HVB is aware and is able to ascertain from information published by Fitch, Moody's and S&P, respectively, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The ratings were prepared by subsidiaries of these rating agencies. These subsidiaries, Standard & Poor's Credit Market Services Europe Ltd. (German branch) with its registered office in Frankfurt am Main, Moody's Deutschland GmbH with its registered office in Frankfurt am Main and Fitch Deutschland GmbH with its registered office in Frankfurt am Main, are registered under 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-rating-agencies/risk>.

Definitions of Ratings

The following sections show the detailed rating definitions of the rating agencies.

Moody's

Global Long-Term Rating Scale

A	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
Baa	Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Global Short-Term Rating Scale

P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.
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Fitch

Long-Term Rating Scale

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.
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Short-Term Rating Scale

F2	Good intrinsic capacity for timely payment of financial commitments.
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Standard & Poor's

Long-Term Issue Credit Ratings

BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
BB	Obligations rated 'BB', 'B', 'CCC', 'CC' and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligation will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

Short-Term Issue Credit 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 commitment is satisfactory.
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UniCredit

UniCredit has been rated as follows:

Description	Standard & Poor's	Moody's	Fitch ratings
Short Term Counterparty Credit Rating	A-3	P-2	F2
Long Term Counterparty Credit Rating	BBB-	Baa1	BBB+
Outlook	stable	stable	negative

DESCRIPTION OF THE SECURITIES

PRODUCT TYPE 1: GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

Redemption on the Maturity Date depends on the Performance of the Underlying. The Security Holder participates in the Performance of the Underlying in relation to the Strike in accordance with the Participation Factor. The Security Holder receives at least the payment of the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Strike, Minimum Amount, the Maximum Amount (if applicable) and Participation Factor will be specified in the relevant Final Terms.

In respect of their redemption, the Securities may be linked to shares or depository receipts as well as to indices, fund shares, fund indices or commodities.

The Securities may be issued as non-Quanto or Quanto Securities as well as Compo Securities.

Interest

In case of Securities with fixed rate:

- Securities may provide for only one Interest Rate for the Interest Period bear interest at a fixed rate specified in the Final Terms.
- Fixed Rate Securities that provide for different Interest Rates for each Interest Period bear interest at the different Interest Rates specified in the Final Terms for the respective Interest Period.

The respective Interest Amount falls due for payment on the relevant Interest Payment Date.

Additional Amount

In the case of Securities with an Additional Amount, the Additional Amount (I) will be paid on the respective Additional Amount Payment Date (I).

The Additional Amount (I) will be specified in the relevant Final Terms.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.

The Floor Level will be specified in the relevant Final Terms.

The Performance of the Underlying is equal to the quotient of R (final) as the numerator and R (initial) as the denominator.

R (initial) means:

- for *Securities with R (initial) already specified*, the R (initial) as specified in the relevant Final Terms or
- for *Securities with initial Reference Price observation*, the Reference Price on the Initial Observation Date or

- for *Securities with initial average observation*, the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with Best-in observation*, the highest Reference Price on the days specified in the relevant Final Terms or
- for *Securities with Worst-in observation*, the lowest Reference Price on the days specified in the relevant Final Terms.

R (final) means:

- for *Securities with final Reference Price observation*, the Reference Price on the Final Observation Date or
- for *Securities with final average observation*, the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with Best-out observation*, the highest Reference Price on the days specified in the relevant Final Terms or
- for *Securities with Worst-out observation*, the lowest Reference Price on the days specified in the relevant Final Terms.

The Redemption Amount will not be less than the Minimum Amount. In the case of Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 2: ALL TIME HIGH GARANT SECURITIES

General

The value of All Time High Garant Securities during their term depends decisively on the price of the Underlying. If the price of the Underlying rises, the value of the Securities regularly rises. If the price of the Underlying falls, the value of the Securities regularly falls.

Redemption on the Maturity Date is based on i) the Performance of the Underlying in relation to the Strike, in accordance with the Participation Factor or ii) the Best Performance of the Underlying in accordance with the Participation Factor_{best}, in relation to the Strike_{best}, depending on which of these amounts is the higher one. The Security Holder benefits from a rising Performance of the Underlying in relation to the Strike and the Strike_{best}, respectively. The Security Holder receives at least the Minimum Amount. The Minimum Amount may be less than, equal to, or greater than the Nominal Amount. In the case of All Time High Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, the Maximum Amount (if applicable), the Participation Factor, the Participation Factor_{best}, the Strike and the Strike_{best} are specified in the respective Final Terms.

With regard to the redemption, All Time High Garant Securities are linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

All Time High Garant Securities may be issued as non-Quanto, Quanto or in case of Securities with a fund share as Underlying as Compo Securities.

Interest

In case of Securities with fixed rate:

- Securities may provide for only one Interest Rate for the Interest Period bear interest at a fixed rate specified in the Final Terms.
- Fixed Rate Securities that provide for different Interest Rates for each Interest Period bear interest at the different Interest Rates specified in the Final Terms for the respective Interest Period.

The respective Interest Amount falls due for payment on the relevant Interest Payment Date.

Redemption

On the Maturity Date the Redemption Amount is equal to the product of the Nominal Amount and the sum of

- (i) (1) the Performance of the Underlying minus the Strike with this difference being multiplied by the Participation Factor, or (2) the Best Performance of the Underlying multiplied by the Participation Factor_{best} minus the Strike_{best}, depending on which of these amounts is the higher one; and
- (ii) the Floor Level.

The Floor Level is specified in the respective Final Terms.

Performance of the Underlying means the quotient of R (final), as the numerator, and R (initial), as the denominator.

Best Performance of the Underlying means the quotient of R (final)_{best}, as the numerator, and R (initial), as the denominator.

R (initial) means:

- for Securities where R (initial) has already been specified, R (initial) specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price on the Initial Observation Date, or
- for Securities with initial average observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the equally weighted average (arithmetic average) of the products of Reference Prices and Reference Price Adjustment Factors, determined on the Initial Observation Dates, or
 - alternatively: the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates;
- for Securities with best-in observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the highest value of the product of Reference Price and Reference Price Adjustment Factor during the Best in-Period, or
 - alternatively: the highest Reference Price during the Best in-Period;
- for Securities with worst-in observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the lowest value of the

product of Reference Price and Reference Price Adjustment Factor during the Worst in-Period, or

- alternatively: the lowest Reference Price during the Worst in-Period.

R (final) means:

- for Securities with final Reference Price observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the value of the product of Reference Price and Reference Price Adjustment Factor on the Final Observation Date, or
 - alternatively: the Reference Price on the Final Observation Date;
- for Securities with final average observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the equally weighted average (arithmetic average) of the products of Reference Prices and Reference Price Adjustment Factors, determined on the Final Observation Dates, or
 - alternatively: the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates;
- for Securities with best-out observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the highest value of the product of Reference Price and Reference Price Adjustment Factor during the Best out-Period, or
 - alternatively: the highest Reference Price during the Best out-Period;
- for Securities with worst-out observation:
 - in the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency: the lowest value of the product of Reference Price and Reference Price Adjustment Factor during the Worst out-Period, or
 - alternatively: the lowest Reference Price during the Worst out-Period.

The Best in-Period, the Worst in-Period, the Best out-Period and the Worst out-Period are specified in the respective Final Terms.

$R_{\text{final}}_{\text{best}}$ means the highest Reference Price on the dates specified in the respective Final Terms.

The Redemption Amount is in no case less than the Minimum Amount. In the case of All Time High Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

Reference Price Adjustment Factor

The respective Final Terms may provide for the usage of a Reference Price Adjustment Factor. The Reference Price Adjustment Factor is a factor determined by the Calculation Agent. Its purpose is to take

into account distributions made by the Underlying (after deduction of tax or other duties, retention, deductions or other charges) when calculating the Redemption Amount.

PRODUCT TYPE 3: FX UPSIDE GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of an exchange rate as the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

Redemption on the Maturity Date depends on the performance of an exchange rate as Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, profiting from rising exchange rates. The Security Holder receives at least the payment of the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of FX Upside Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, the Maximum Amount (if applicable) and Participation Factor will be specified in the relevant Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the relevant Final Terms.

The Performance of the Underlying is equal to:

- in the case of (Vanilla) Securities the quotient of (i) the difference between R (final) and the Strike (as the numerator) and (ii) R (final) (as the denominator).
- in the case of (Self Quanto) Securities the quotient of (i) the difference between R (final) and the Strike (as the numerator) and (ii) the Strike (as the denominator).

The Strike is:

- specified by the Issuer in the relevant Final Terms or
- equal to a specified quotient of R (initial).

R (initial) means:

- for *Securities with R (initial) already specified*, the FX as specified in the relevant Final Terms or
- for *Securities with initial FX observation*, the FX on the Initial Observation Date or
- for *Securities with initial average observation*, the equally weighted average (arithmetic average) of the FX published on the Initial Observation Dates or
- for *Securities with Best-in observation*, the highest FX on the days specified in the relevant Final Terms or
- for *Securities with Worst-in observation*, the lowest FX on the days specified in the relevant Final Terms.

R (final) means:

- for *Securities with final FX observation*, the FX on the Final Observation Date or

- for *Securities with final average observation*, the equally weighted average (arithmetic average) of the FX published on the Final Observation Dates or
- for *Securities with Best-out observation*, the highest FX on the days specified in the relevant Final Terms or
- for *Securities with Worst-out observation*, the lowest FX on the days specified in the relevant Final Terms.

The Redemption Amount will not be less than the Minimum Amount. In the case of FX Upside Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 4: FX DOWNSIDE GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of an exchange rate as the Underlying. In principle, the value of the Securities rises if the price of the Underlying falls and falls if the price of the Underlying rises.

Redemption on the Maturity Date depends on the performance of an exchange rate as Underlying. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, profiting from falling exchange rates. The Security Holder receives at least the payment of the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of FX Downside Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, Maximum Amount (if applicable) and Participation Factor will be specified in the relevant Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the relevant Final Terms.

The Performance of the Underlying is equal to:

- in the case of (Vanilla) Securities the quotient of (i) the difference between the Strike and R (final) (as the numerator) and (ii) R (final) (as the denominator).
- in the case of (Self Quanto) Securities the quotient of (i) the difference between the Strike and R (final) (as the numerator) and (ii) the Strike (as the denominator).

The Strike is:

- specified by the Issuer in the relevant Final Terms or
- equal to a specified quotient of R (initial).

R (initial) means:

- for *Securities with R (initial) already specified*, the FX as specified in the relevant Final Terms or
- for *Securities with an initial FX observation*, the FX on the Initial Observation Date or

- for *Securities with an initial average observation*, the equally weighted average (arithmetic average) of the FX published on the Initial Observation Dates or
- for *Securities with Best-in observation*, the highest FX on the days specified in the relevant Final Terms or
- for *Securities with Worst-in observation*, the lowest FX on the days specified in the relevant Final Terms.

R (final) means:

- for *Securities with final FX observation*, the FX on the Final Observation Date or
- for *Securities with final average observation*, the equally weighted average (arithmetic average) of the FX published on the Final Observation Dates or
- for *Securities with Best-out observation*, the highest FX between the First Day of the Best-out Period (as specified in the relevant Final Terms) (including) and the Final Observation Date (including) or
- for *Securities with Worst-out observation*, the lowest FX on the days specified in the relevant Final Terms.

The Redemption Amount will not be less than the Minimum Amount. In the case of FX Downside Garant Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 5: GARANT CLIQUET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

The Securities are always redeemed at the Minimum Amount on the Maturity Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Maturity Date does not depend on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is also paid on the Additional Amount Payment Dates (k). The Security Holder participates in the Performance of the Underlying (k) between the respective Observation Dates (k) in accordance with the Participation Factor. For Securities with an unconditional Additional Amount the Additional Amount (k) is paid even in the event of a negative Performance of the Underlying (k).

The Minimum Amount and Participation Factor will be specified in the relevant Final Terms.

With respect to the payment of the Additional Amount (k), the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

For *Securities with a conditional Additional Amount* an Additional Amount (k) is paid if the Reference Price on the Observation Date (k) is greater than the Reference Price on the preceding Observation Date (k-1).

For *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even if the Reference Price on the Observation Date (k) is equal or lower than the Reference Price on the preceding Observation Date.

The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) between the respective consecutive Observation Dates (k) (where on the first Observation Date (k=1) the performance between the Initial Observation Date and the first Observation Date (k) is relevant).

The Performance of the Underlying (k) is equal to the quotient of (i) R (k) minus R (k-1) as the numerator and (ii) R (k-1) as the denominator.

R (initial) means:

- for *Securities with R (initial) already specified*, R (initial) as specified in the relevant Final Terms or
- for *Securities with initial Reference Price observation*, the Reference Price on the Initial Observation Date or
- for *Securities with initial average observation*, the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with Best-in observation*, the highest Reference Price on the days specified in the relevant Final Terms or
- for *Securities with Worst-in observation*, the lowest Reference Price on the days specified in the relevant Final Terms.

R (k) means the Reference Price on the relevant Observation Date (k).

R (k-1) for each Observation Date (k) is the Reference Price on the preceding Observation Date (k-1). For the first Observation Date (k=1), R (k-1) corresponds to R (initial).

However, for *Securities with an unconditional Additional Amount*, the Additional Amount (k) is not less than the Minimum Additional Amount (k).

For Securities with a Maximum Additional Amount (k), the Additional Amount (k) is not greater than the Maximum Additional Amount (k).

Redemption

At the Maturity Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 6: GARANT CASH COLLECT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

The Securities are always redeemed at the Minimum Amount on the Maturity Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Maturity Date does not depend on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Security Holder participates in the Performance of the Underlying (k) between the Initial Observation Date and the respective Observation Date (k) in accordance with the Participation Factor. For Securities with an

unconditional Additional Amount the Additional Amount (k) is paid even in the event of a negative Performance of the Underlying (k).

The Minimum Amount and Participation Factor will be specified in the relevant Final Terms.

With respect to the payment of the Additional Amount (k), the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

For *Securities with a conditional Additional Amount* an Additional Amount (k) is paid if the Reference Price on the Observation Date (k) is greater than the Strike.

For *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even if the Reference Price on the Observation Date (k) is equal or less than the Strike.

The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) in relation to the Strike between the Initial Observation Date and the respective Observation Date (k).

The Participation Factor will be specified in the relevant Final Terms.

The Performance of the Underlying (k) is equal to the quotient of (i) R (k) minus the Strike as the numerator and (ii) R (initial).

The Strike is:

- specified by the Issuer in the relevant Final Terms or
- equal to a specified percentage of R (initial).

R (initial) means:

- for *Securities with R (initial) already specified*, the Reference Price as specified in the relevant Final Terms or
- for *Securities with initial Reference Price observation*, the Reference Price on the Initial Observation Date or
- for *Securities with initial average observation*, the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with Best-in observation*, the highest Reference Price on the days specified in the relevant Final Terms or
- for *Securities with Worst-in observation*, the lowest Reference Price on the days specified in the relevant Final Terms.

R (k) means the Reference Price on the relevant Observation Date (k).

However, for *Securities with an unconditional Additional Amount (k)*, the Additional Amount (k) is not less than the Minimum Additional Amount (k).

For Securities with a Maximum Additional Amount (k), the Additional Amount (k) is not greater than the Maximum Additional Amount (k).

Redemption

At the Maturity Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 7: GARANT PERFORMANCE CLIQUET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

Redemption on the Maturity Date depends on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Additional Amount (k) depends on the Performance of the Underlying (k).

In relation to the Additional Amount (k), the Security Holder participates in the Performance of the Underlying (k) between the respective Observation Dates (k) according to the Participation Factor; for the *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even in the event of a negative Performance of the Underlying (k). In relation to the Redemption Amount, the Security Holder participates in the Performance of the Underlying between the Initial Observation Date and the Final Observation Date according to the Final Participation Factor. However, the redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. In the case of Garant Cap Performance Cliquet Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, Participation Factor and Maximum Amount (if applicable) will be specified in the relevant Final Terms.

With respect to the payment of the Additional Amount (k) and to their redemption, the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

For *Securities with a conditional Additional Amount* an Additional Amount (k) is paid if the Reference Price on the Observation Date (k) is greater than the Reference Price on the preceding Observation Date (k-1).

For *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even if the Reference Price on the Observation Date (k) is equal or lower than the Reference Price on the preceding Observation Date.

The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) between the respective consecutive Observation Dates (k) (where on the first Observation Date (k=1) the Performance between the Initial Observation Date and the first Observation Date is relevant).

The Performance of the Underlying (k) is equal to the quotient of (i) $R(k) - R(k-1)$ as the numerator and (ii) $R(k-1)$ as the denominator.

$R(k)$ means the Reference Price on the respective Observation Date (k).

$R(k-1)$ for each Observation Date (k) is the Reference Price on the preceding Observation Date (k-1). For the first Observation Date (k=1), $R(k-1)$ corresponds to $R(\text{initial})$.

For *Securities with an unconditional Additional Amount*, the Additional Amount (k) is not less than the Minimum Additional Amount (k).

For *Securities with a Maximum Additional Amount* (k), the Additional Amount (k) is not greater than the Maximum Additional Amount (k).

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Final Participation Factor.

The Performance of the Underlying is equal to the difference between (i) the quotient of R (final) as the numerator and R (initial) as the denominator and (ii) the Strike.

The Strike, Final Participation Factor and Floor Level will be specified in the respective Final Terms.

R (initial) means:

- for *Securities for which R (initial) has already been specified* R (initial) specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Garant Cap Performance Cliquet Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 8: GARANT DIGITAL CASH COLLECT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

Redemption on the Maturity Date depends on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Additional Amount (k) depends on the Performance of the Underlying (k).

The Additional Amount (k) is paid if R (k) is greater than or equal to the Strike. In relation to the Redemption Amount, if the Reference Price is equal to or higher than the Barrier, the Security Holder receives the Nominal Amount. If the Reference Price is lower than the Barrier, the Security Holder

participates in the Performance of the Underlying between the Initial Observation Date and the Final Observation Date according to the Final Participation Factor. However, the redemption payment is at least equal to a Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount.

The Barrier, the Minimum Amount and the respective Additional Amount (k) will be specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k) and to their redemption, the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

An Additional Amount (k) is paid on the Additional Amount Payment Date (k) if R (k) is greater than or equal to the Strike.

The respective Additional Amount (k) on the respective Observation Date will be specified in the respective Final Terms.

The Strike is:

- specified by the Issuer in the respective Final Terms or
- equal to a specified percentage of R (initial).

R (k) means the Reference Price on the respective Observation Date (k).

Redemption

If no Barrier Event has occurred, the Redemption Amount at the Maturity Date is equal to the Nominal Amount.

If a Barrier Event has occurred, the Redemption Amount at the Maturity Date is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Final Participation Factor.

The Performance of the Underlying is equal to the difference between (i) the quotient of R (final) as the numerator and R (initial) as the denominator and (ii) the Final Strike Level.

A Barrier Event means the fact that R (final) falls below the Barrier.

The Barrier or the method of its determination is specified in the respective Final Terms.

The Final Participation Factor, Final Strike Level and Floor Level will be specified in the respective Final Terms.

R (initial) means:

- for *Securities for which R (initial) has already been specified* R (initial) specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or

- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 9: GARANT PERFORMANCE CASH COLLECT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

Redemption on the Maturity Date depends on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Additional Amount (k) depends on the Performance of the Underlying (k).

In relation to the Additional Amount (k), the Security Holder participates in the Performance of the Underlying (k) between the Initial Observation Date and the respective Observation Dates (k) according to the Participation Factor; for the *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even in the event of a negative Performance of the Underlying (k). In relation to the Redemption Amount, the Security Holder participates in the Performance of the Underlying between the Initial Observation Date and the Final Observation Date according to the Final Participation Factor. However, the redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. In the case of Garant Cap Performance Cash Collect Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, Participation Factor and Maximum Amount (if applicable) will be specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k) and to their redemption, the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

For *Securities with a conditional Additional Amount* an Additional Amount (k) is paid if the Reference Price on the Observation Date (k) is greater than the Strike.

For *Securities with an unconditional Additional Amount* the Additional Amount (k) is paid even if the Reference Price on the Observation Date (k) is equal or lower than the Strike.

The Additional Amount (k) on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k) in relation to the Strike between the Initial Observation Date and the respective Observation Date (k).

The Performance of the Underlying (k) is equal to the quotient of (i) R (k) minus the Strike as the numerator and (ii) R (initial) as the denominator.

The Strike is:

- specified by the Issuer in the respective Final Terms or
- equal to a specified percentage of R (initial).

R (k) means the Reference Price on the respective Observation Date (k).

For *Securities with an unconditional Additional Amount* the Additional Amount (k) is not less than the Minimum Additional Amount (k).

For *Securities with a Maximum Additional Amount* (k) the Additional Amount (k) is not greater than the Maximum Additional Amount (k).

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Final Participation Factor.

The Performance of the Underlying is equal to the difference between (i) the quotient of R (final) as the numerator and R (initial) as the denominator and (ii) the Final Strike Level.

The Final Participation Factor, Final Strike Level and Floor Level will be specified in the respective Final Terms.

R (initial) means:

- for *Securities for which R (initial) has already been specified* R (initial) specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Garant Cap Performance Cash Collect Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 10: GARANT DIGITAL COUPON SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

The Securities are always redeemed at the Minimum Amount on the Maturity Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Maturity Date does not depend on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Additional Amount (k) depends on R (k).

The Additional Amount (k) is paid if R (k) is greater than or equal to the Strike. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount.

The Barrier, the Minimum Amount and the respective Additional Amount (k) will be specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k) and to their redemption, the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

An Additional Amount (k) is paid on the Additional Amount Payment Date (k) if R (k) is greater than or equal to the Strike. If R (k) is less than the Strike, no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

The respective Additional Amount (k) on the respective Observation Date will be specified in the respective Final Terms.

The Strike is:

- specified by the Issuer in the respective Final Terms or
- equal to a specified percentage of R (initial).

R (k) means the Reference Price on the respective Observation Date (k).

Redemption

At the Maturity Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 11: GARANT DIGITAL CLIQUET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

The Securities are always redeemed at the Minimum Amount on the Maturity Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Maturity Date does not depend on the Performance of the Underlying. Moreover, the respective Additional Amount (k) is paid on the Additional Amount Payment Dates (k). The Additional Amount (k) depends on R (k).

The Additional Amount (k) is paid if R (k) is greater than or equal to the Strike(k-1). The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount.

The Minimum Amount and the respective Additional Amount (k) will be specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k), the Securities may be linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

An Additional Amount (k) is paid on the Additional Amount Payment Date (k) if R (k) is greater than or equal to the Strike(k-1). If R (k) is less than the Strike(k-1), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

The respective Additional Amount (k) for the respective Observation Date (k) will be specified in the respective Final Terms.

The Strike(k-1) is:

- equal to a specified percentage of R (k-1).

R (k-1) means for each Observation Date (k), the Reference Price on the Observation Date preceding that Observation Date (k). For R (k) (where k = 1), R (k-1) is equal to R (initial).

Redemption

At the Maturity Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 12: PERFORMANCE TELESCOPE SECURITIES

General

Performance Telescope Securities are Securities where the redemption on the Maturity Date is based on the Performance of the Underlying. Under this Base Prospectus, Telescope Securities will be issued in the form of Performance Telescope Securities and Performance Telescope Cap Securities. The Security Holder receives at least a specified minimum redemption payment. The amount of this payment may be less than the Nominal Amount. In the case of Performance Telescope Cap Securities the Redemption Amount will be not greater than the Maximum Amount.

Furthermore, on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the respective Performance of the Underlying (k), taking into account the Participation Factor and the respective D (k). In the case of Securities with a conditional Additional Amount the payment of the Additional Amount (k) will be effected only upon occurrence of an Income Payment Event on the Observation Date (k).

Performance Telescope Securities may be issued as non-Quanto or Quanto Securities. Non-Quanto means that the Underlying is traded in the Specified Currency and that the Securities are therefore not subject to the influence of exchange rate movements. Quanto means that although the Underlying is traded in a currency other than the Specified Currency, exchange rate movements are not taken into account for the Securities.

With regard to the redemption, Performance Telescope Securities are linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Interest

The Securities do not bear interest.

Additional Amount

If an Income Payment Event occurs in respect of Securities with a conditional Additional Amount on an Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

In the case of *Securities with an unconditional Additional Amount* the Additional Amount will be paid on the respective Additional Amount Payment Date (k) irrespective of the occurrence of an Income Payment Event.

An Income Payment Event means that R (k), as determined on the respective Observation Date (k), is greater than the Strike.

R (k) means the Reference Price on the respective Observation Date (k).

The Strike is specified in the respective Final Terms.

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k).

In the case of *Securities with an unconditional Additional Amount*, however, the Additional Amount (k) is not less than the respective Minimum Additional Amount (k).

The Performance of the Underlying (k) is equal to the difference between (i) the quotient of R (k), as the numerator, and R (initial), as the denominator, and (ii) the Strike Level, divided by D (k).

In the case of Securities with a Maximum Additional Amount (k) the respective Additional Amount (k) is not greater than the respective Maximum Additional Amount (k).

The respective R (initial), the Strike Level, D (k), the Participation Factor and, if applicable, the Maximum Additional Amount (k) and the Minimum Additional Amount (k) are specified in the respective Final Terms.

Redemption

If no Conversion Event has occurred, the Securities will be redeemed on the Maturity Date at the Redemption Amount following automatic exercise on the Exercise Date. The Redemption Amount is equal to

- (i) the Nominal Amount
- (ii) multiplied by the Floor Level plus
 - (a) the Final Participation Factor multiplied by
 - (b) the Performance of the Underlying minus the Final Strike Level.

However, the Redemption Amount shall not be less than the Minimum Amount. In the case of Performance Telescope Cap Securities the Redemption Amount is in no case higher than the Maximum Amount.

Performance of the Underlying means the quotient of R (final), as the numerator, and R (initial), as the denominator.

The Final Strike Level, the Floor Level, the Final Participation Factor, the Minimum Amount and the Maximum Amount (if applicable) will be specified in the respective Final Terms.

The Securities shall be deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 13: GARANT TELESCOPE SECURITIES

General

Garant Telescope Securities are Securities where the Redemption Amount on the Maturity Date is equal to the Minimum Amount. The amount of this payment may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Maturity Date does not depend on the Performance of the Underlying. Furthermore, on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the respective Performance of the Underlying (k), taking into account the Participation Factor and the respective D (k). In the case of Securities with a conditional Additional Amount the payment of the Additional Amount (k) will be effected only upon occurrence of an Income Payment Event on the Observation Date (k).

Upon the occurrence of a Fund Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount. The Settlement Amount is specified in the respective Final Terms.

With regard to the redemption, Garant Telescope Securities are linked to shares or depository receipts, indices, commodities, fund shares or fund indices.

Garant Telescope Securities may be issued as non-Quanto or Quanto Securities. Non-Quanto means that the Underlying is traded in the Specified Currency and that the Securities are therefore not subject to the influence of exchange rate movements. Quanto means that although the Underlying is traded in a currency other than the Specified Currency, exchange rate movements are not taken into account for the Securities.

Interest

The Securities do not bear interest.

Additional Amount

If an Income Payment Event occurs in respect of Securities with a conditional Additional Amount on an Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

In the case of *Securities with an unconditional Additional Amount* the Additional Amount will be paid on the respective Additional Amount Payment Date (k) irrespective of the occurrence of an Income Payment Event.

An Income Payment Event means that R (k), as determined on the respective Observation Date (k), is greater than the Strike.

R (k) means the Reference Price on the respective Observation Date (k).

The Strike is specified in the respective Final Terms.

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k).

In the case of *Securities with an unconditional Additional Amount*, however, the Additional Amount (k) is not less than the respective Minimum Additional Amount (k).

The Performance of the Underlying (k) is equal to the difference between (i) the quotient of R (k), as the numerator, and R (initial), as the denominator, and (ii) the Strike Level, divided by D (k).

In the case of Securities with a Maximum Additional Amount (k) the respective Additional Amount (k) is not greater than the respective Maximum Additional Amount (k).

The respective R (initial), the Strike Level, D (k), the Participation Factor and, if applicable, the Maximum Additional Amount (k) and the Minimum Additional Amount (k) are specified in the respective Final Terms.

Redemption

If no Fund Conversion Event has occurred, the Securities will be redeemed on the Maturity Date at the Redemption Amount which equals the Minimum Amount.

Upon the occurrence of a Fund Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

For the purpose of determining the Settlement Amount, the Calculation Agent will, in its reasonable discretion (pursuant to § 315 et seq. BGB), determine the market value of the Securities within ten banking days following the occurrence of the Conversion Event, adding accrued interest for the period from the occurrence of the Conversion Event to the Maturity Date on the basis of the market rate of interest traded at the time with reference to liabilities of the Issuer with the same remaining term as the Securities. However, the Settlement Amount will be at least equal to the Minimum Amount. If it is not possible to determine the market value of the Securities, the Settlement Amount is equal to the Minimum Amount.

The Minimum Amount is specified in the respective Final Terms.

PRODUCT TYPE 14: GARANT COUPON GEOSCOPE SECURITIES

General

Garant Coupon Geoscope Securities are Securities where the Redemption Amount on the Maturity Date is equal to the Minimum Amount. The amount of this payment may be less than the Nominal Amount. Furthermore, on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the respective Geometric Average Performance of the Underlying (k), taking into account the Participation Factor. In the case of Securities with a conditional Additional Amount the payment of the Additional Amount (k) will be effected only upon occurrence of an Income Payment Event on the Observation Date (k).

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount. The Settlement Amount is specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k), the Securities may be linked to shares, depository receipts, fund shares, indices, fund indices and commodities.

Garant Coupon Geoscope Securities may be issued as non-Quanto or Quanto Securities. Non-Quanto means that the Underlying is traded in the Specified Currency and that the Securities are therefore not subject to the influence of exchange rate movements. Quanto means that although the Underlying is traded in a currency other than the Specified Currency, exchange rate movements are not taken into account for the Securities.

Interest

The Securities do not bear interest.

Additional Amount

If an Income Payment Event occurs in respect of *Securities with a conditional Additional Amount* on an Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

In the case of *Securities with an unconditional Additional Amount* the Additional Amount will be paid on the respective Additional Amount Payment Date (k) irrespective of the occurrence of an Income Payment Event.

An Income Payment Event means that the Geometric Average Performance of the Underlying (k) is greater than the Strike Level.

The Geometric Average Performance of the Underlying (k) is the n^{th} (when “n” depends on the respective D (k)) root of the Performance of the Underlying (k), where the Performance of the Underlying (k) is the quotient between of R (k), as the numerator, and R (initial), as the denominator. R (k) means the Reference Price on the respective Observation Date (k).

The Strike Level is specified in the respective Final Terms.

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor and (ii) the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level.

In the case of *Securities with an unconditional Additional Amount*, however, the Additional Amount (k) is not less than the respective Minimum Additional Amount (k).

In the case of Securities with a Maximum Additional Amount (k) the respective Additional Amount (k) is not greater than the respective Maximum Additional Amount (k).

The respective R (initial), the Strike Level, D (k), the Participation Factor and, if applicable, the Maximum Additional Amount (k) and the Minimum Additional Amount (k) are specified in the respective Final Terms.

Redemption

If no Conversion Event has occurred, the Securities will be redeemed on the Maturity Date at the Redemption Amount which equals the Minimum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

The Minimum Amount is specified in the respective Final Terms.

PRODUCT TYPE 15: TWIN-WIN GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the. In principle, the value of the Securities rises if the price of the Underlying rises or falls moderately and falls if the price of the Underlying stagnates or falls sharply.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. If no Barrier Event has occurred, the Security Holder participates in the absolute Performance of the Underlying according to the Participation Factor. Absolute Performance means that, if no Barrier Event occurs, both any positive and any negative Performance of the Underlying has a positive effect on the redemption payment, in that any fall in the price of the Underlying is treated as a price gain upon redemption. If a Barrier Event has occurred, the Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, with any negative Performance having a negative effect on the redemption payment. However, the redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. In the case of Twin-Win Cap Garant Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount, Maximum Amount (if applicable) and Participation Factor will be specified in the respective Final Terms.

With respect to their redemption, the Securities may be linked to shares or depository receipts as well as to indices (excluding fund indices) or commodities.

Interest

The Securities do not bear interest.

Additional Amount

In the case of Securities with an Additional Amount, the Additional Amount (l) will be paid on the respective Additional Amount Payment Date (l).

The Additional Amount (l) will be specified in the relevant Final Terms.

Redemption

If no Barrier Event has occurred, the Redemption Amount is equal to the Nominal Amount multiplied by

the total of (i) the Floor Level and (ii) the absolute difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1.

If a Barrier Event has occurred, the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the difference, multiplied by a Participation Factor, between the Performance of the Underlying and 1.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying is equal to the quotient of R (final) as the numerator and R (initial) as the denominator.

Absolute difference means that the amount of the difference is used for the purposes of the rest of the calculation without taking into account any preceding minus sign (-).

R (initial) means:

- for *Securities for which R (initial) has already been specified* the Reference Price specified in the respective Final Terms, or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

A Barrier Event means:

- for *Securities with continuous barrier observation* the fact that any price of the Underlying reaches or falls below the Barrier during the Barrier Observation Period in the case of continuous observation or
- for *Securities with barrier observation on specific dates* the fact that a Reference Price falls below the Barrier on a Barrier Observation Date.

The Barrier or the method of its determination is specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Twin-Win Cap Garant Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 16: WIN-WIN GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises or falls and falls if the price of the Underlying stagnates.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Security Holder participates in the absolute Performance of the Underlying according to the Participation Factor. Absolute Performance means that both any positive and any negative Performance of the Underlying has a positive effect on the redemption payment, in that any fall in the price of the Underlying is treated as a price gain upon redemption. However, the redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. In the case of Win-Win Cap Garant Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Minimum Amount and Maximum Amount (if applicable) will be specified in the respective Final Terms.

With respect to their redemption, the Securities may be linked to shares or depository receipts as well as to indices (excluding fund indices) or commodities.

Interest

The Securities do not bear interest.

Additional Amount

In the case of Securities with an Additional Amount, the Additional Amount (I) will be paid on the respective Additional Amount Payment Date (I).

The Additional Amount (I) will be specified in the relevant Final Terms.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the absolute difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1.

The Floor Level and Participation Factor will be specified in the respective Final Terms.

The Performance of the Underlying is equal to the quotient of R (final) as the numerator and R (initial) as the denominator.

Absolute difference means that the amount of the difference is used for the purposes of the rest of the calculation without taking into account any preceding minus sign (-).

R (initial) means:

- for *Securities for which R (initial) has already been specified* the Reference Price specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Win-Win Cap Garant Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 17: ICARUS GARANT SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises moderately and falls if the price of the Underlying falls or rises sharply.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. If no Barrier Event has occurred, the redemption payment is based, in accordance with the Participation Factor, on the Performance of the Underlying, although a Minimum Amount is repaid even in the event of negative Performance of the Underlying. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. If a Barrier Event has occurred, the redemption payment is limited to a Bonus Amount irrespective of the Performance of the Underlying.

The Bonus Amount, Minimum Amount and Participation Factor will be specified in the respective Final Terms.

With respect to their redemption, the Securities may be linked to shares or depository receipts as well as to indices (excluding fund indices) or commodities.

Interest

The Securities do not bear interest.

Additional Amount

In the case of Securities with an Additional Amount, the Additional Amount (I) will be paid on the respective Additional Amount Payment Date (I).

The Additional Amount (I) will be specified in the relevant Final Terms.

Redemption

If no Barrier Event has occurred, the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and 1.

In this event, the Redemption Amount is not less than the Minimum Amount.

If a Barrier Event has occurred, the Redemption Amount is equal to the Bonus Amount.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying is equal to the quotient of R (final) as the numerator and R (initial) as the denominator.

R (initial) means:

- for *Securities for which R (initial) has already been specified* the Reference Price specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

A Barrier Event means:

- for *Securities with continuous barrier observation* the fact that any price of the Underlying reaches or exceeds the Barrier during the Barrier Observation Period in the case of continuous observation or
- for *Securities with barrier observation on specific dates* the fact that a Reference Price exceeds the Barrier on a Barrier Observation Date.

The Barrier or the method of its determination is specified in the respective Final Terms.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 18: GEOSCOPE SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Underlying. In principle, the value of the Securities rises if the price of the Underlying rises and falls if the price of the Underlying falls.

In the case of Securities with shares or depository receipts, indices (other than those referencing funds) or commodities, redemption payment on the Maturity Date depends on the Performance of the Underlying (final) and on the occurrence of a Barrier Event. The redemption payment is at least equal to a Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount.

In the case of Securities with funds as Underlying or an index as Underlying referencing funds, redemption payment on the Maturity Date is equal to the Minimum Amount. The amount of this payment may be less than the Nominal Amount.

Moreover, the respective Additional Amount (k) is paid on the respective Additional Amount Payment Date (k).

In the case of Securities with shares or depository receipts, indices (other than those referencing funds) or commodities, the Additional Amount (k) depends on the Geometric Average Performance of the Underlying (k) and on the occurrence of an Income Payment Event, unless a Barrier Event has occurred. In the later case the Rebate Amount will be paid on the corresponding Additional Amount Payment Date (k) and on any other following Additional Payment Date regardless of the Geometric Average Performance of the Underlying (k).

In the case of Securities with funds as Underlying or an index as Underlying referencing funds, the Additional Amount (k) depends on the respective Geometric Average Performance of the Underlying (k), taking into account the Participation Factor. In the case of Securities with a conditional Additional Amount the payment of the Additional Amount (k) will be effected only upon occurrence of an Income Payment Event on the Observation Date (k).

The Minimum Amount and the Rebate Amount (where applicable) will be specified in the respective Final Terms.

The Securities may be linked to shares or depository receipts as well as to indices, fund shares or commodities.

Interest

The Securities do not bear interest.

Additional Amount

- If on an Observation Date (k) an Income Payment Event has occurred and no Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k) an Additional Amount (k) is paid on the respective Additional Amount Payment Date (k).

The Additional Amount (k) is equal to the Nominal Amount multiplied by the difference between the Geometric Average Performance of the Underlying (k) and the Strike Level.

In the case of securities with a Maximum Additional Amount the Additional Amount (k) is not greater than the Maximum Additional Amount.

If no Income Payment Event has occurred on an Observation Date (k), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date.

Income Payment Event means that the Geometric Average Performance of the Underlying (k) is greater than the Strike Level.

Barrier Event means that the Geometric Average Performance of the Underlying (k) on any Observation Date (k) is equal to or greater than the Barrier Level.

The Geometric Average Performance of the Underlying (k) is the n^{th} (when “n” depends on the respective D (k)) root of the Performance of the Underlying (k), where the Performance of the Underlying (k) is the quotient between R (k), as the numerator, and R (initial) as denominator. R (k) means the Reference Price on the respective Observation Date (k).- If a Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k) the Rebate Amount will be paid on the respective Additional Amount Payment Date (k) and on any following additional Amount Payment Date regardless whether an Income Payment Event has occurred.

The Rebate Amount, the Maximum Additional Amount, the Barrier Level, the Strike Level and D (k), are specified on the respective Final Terms.

Redemption

If no Barrier Event has occurred on any Observation Date (k) the Redemption Amount at the Maturity Date is equal to the Nominal Amount multiplied by the Performance of the Underlying, where the Redemption Amount is not less than the Minimum Amount and no greater than the Maximum Amount.

The Maximum Amount is specified in the relevant Final Terms.

If a Barrier Event has occurred the Redemption Amount corresponds to the Nominal Amount.

The Performance of the Underlying (final) is equal to the quotient of R (final) as the numerator and R (initial) as denominator.

R (initial) means:

- for *Securities for which R (initial) has already been specified* the Reference Price specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price on the dates specified in the respective Final Terms.

R (final) means:

- for *Securities with a final reference price observation* the Reference Price on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price on the dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price on the dates specified in the respective Final Terms.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 19: GARANT BASKET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket consisting of several Basket Components. The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their Weightings. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from rising Performance of the Underlying in relation to the Strike. The redemption payment is at least equal to the Minimum Amount, which may be less than the Nominal

Amount. In the case of Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

In respect of their redemption, the Securities may be linked to shares or depository receipts as well as to indices, fund shares or commodities.

The Strike, Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.

The Performance of the Underlying is the total of the Performances of the respective Basket Components, which are taken into account according to their Weightings_i. The performance of the respective Basket Component_i is equal to K_i (final) divided by K_i (initial).

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* the price of the Basket Component_i specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price of the Basket Component_i on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price of the Basket Component_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest Reference Price of the Basket Component_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final reference price observation* the Reference Price of the Basket Component_i on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_i determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price of the Basket Component_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price of the Basket Component_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 20: GARANT RAINBOW SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket consisting of several Basket Components. The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their Weightings. The Weighting of each Basket Component depends on its Performance: The highest Weighting is allocated to the Basket Component with the Best Performance (*as specified in the respective Final Terms*), the second-highest Weighting to the Basket Component with the second-best Performance, and so on. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from rising Performance of the Underlying in relation to the Strike.

The redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of Garant Cap Rainbow Securities the Redemption Amount is in no case higher than the Maximum Amount. In respect of their redemption, the Securities may be linked to shares or depository receipts as well as to indices, fund shares or commodities.

The Strike, Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between the Performance of the Underlying and the Strike.

The Performance of the Underlying is the total of the Performances of the respective Basket Components

$K_{i \text{ best}}$ ($i=1$) means Basket Component $_j$ with the Best Performance. Basket Component $_i \text{ best}$ ($i = 2, \dots, N$) means the Basket Component $_i$ that is different from all Basket Components $_j \text{ best}$ (where $j = 1, \dots, (i-1)$) with the Best Performance.

The performance of the respective Basket Component $_i \text{ best}$ is equal to $K_{i \text{ best}}$ (final) divided by $K_{i \text{ best}}$ (initial) multiplied by the respective Weighting $_{i \text{ best}}$.

$K_{i \text{ best}}$ (initial) means K_i (initial) of the Basket Component $_i \text{ best}$

$K_{i \text{ best}}$ (final) means K_i (final) of the Basket Component $_i \text{ best}$

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* K_i (initial) that is specified in the respective Final Terms or
- for *Securities with an initial reference price observation* the Reference Price of the Basket Component $_i$ on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component $_i$ determined on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest Reference Price of the Basket Component $_i$ on dates specified in the respective Final Terms or

- for *Securities with a Worst-in observation* the lowest Reference Price of the Basket Component_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final reference price observation* the Reference Price of the Basket Component_i on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_i determined on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest Reference Price of the Basket Component_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest Reference Price of the Basket Component_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Garant Cap Rainbow Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 21: FX UPSIDE GARANT BASKET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket whose Basket Components are exchange rates. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from rising exchange rates. The redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of FX Upside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their Weightings.

The Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying means the average performance of the respective Basket Components_i, which are taken into account according to their Weightings_i. The performance of the respective Basket Component_i is determined using the following formula:

- for *Securities (Vanilla)* the quotient of (i) the difference between K_i (final) and the Strike_i (as the numerator) and (ii) K_i (final) (as the denominator).
- for *Securities (Self Quanto)* the quotient of (i) the difference between K_i (final) and the Strike_i (as the numerator) and (ii) the Strike_i (as the denominator).

The Strike_i or the method of its determination is specified in the respective Final Terms.

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* the respective FX_i specified in the respective Final Terms or
- for *Securities with an initial FX observation* the respective FX_i on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest FX_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final FX observation* FX_i on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the FX_i published on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest FX_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of FX Upside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 22: FX DOWNSIDE GARANT BASKET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components falls and falls if the price of the Basket Components rises.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket whose Basket Components are exchange rates. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from falling exchange rates. The redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of FX Downside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their respective Weightings.

The Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying means the average performance of the respective Basket Components_i, which are taken into account according to their Weightings_i. The performance of the respective Basket Component_i is determined using the following formula:

- for *Securities (Vanilla)* the quotient of (i) the difference between the Strike_i and K_i (final) (as the numerator) and (ii) K_i (final) (as the denominator).
- for *Securities (Self Quanto)* the quotient of (i) the difference between the Strike_i and K_i (final) (as the numerator) and (ii) the Strike_i (as the denominator).

The Strike_i or the method of its determination is specified in the respective Final Terms.

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* the respective FX_i specified in the respective Final Terms or
- for *Securities with an initial FX observation* the respective FX_i on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest FX_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final FX observation* FX_i on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the FX_i published on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest FX_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of FX Downside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 23: PROXY FX UPSIDE GARANT BASKET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components rises and falls if the price of the Basket Components falls.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket whose Basket Components are exchange rates. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from rising exchange rates. The redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of Proxy FX Upside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their Weightings.

The Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying means the average performance of the respective Basket Components_i, which are taken into account according to their respective Weightings_i. The performance of the respective Basket Component_i is determined using the following formula:

- for *Securities (Vanilla)* the quotient of (i) the difference between K_i (final) and the Strike_i (as the numerator) and (ii) K_i (final) (as the denominator).
- for *Securities (Self Quanto)* the quotient of (i) the difference between K_i (final) and the Strike_i (as the numerator) and (ii) the Strike_i (as the denominator).

For this purpose, the performance of each Basket Component_i is at least equal to zero.

The Strike_i or the method of its determination is specified in the respective Final Terms.

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* the respective FX_i specified in the respective Final Terms or
- for *Securities with an initial FX observation* the respective FX_i on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest FX_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final FX observation* FX_i on the Final Observation Date or

- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the FX_i published on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest FX_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Proxy FX Upside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 24: PROXY FX DOWNSIDE GARANT BASKET SECURITIES

General

The value of the Securities during their term depends mainly on the price of the Basket Components. In principle, the value of the Securities rises if the price of the Basket Components falls and falls if the price of the Basket Components rises.

Redemption payment on the Maturity Date depends on the Performance of the Underlying. The Underlying is a basket whose Basket Components are exchange rates. The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor, benefiting from falling exchange rates. The redemption payment is at least equal to the Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less or greater than the Nominal Amount. In the case of Proxy FX Downside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Performance of the Underlying is the average performance of the Basket Components, which are taken into account according to their Weightings.

The Maximum Amount (if applicable), Minimum Amount and Participation Factor will be specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

At the Maturity Date the Redemption Amount is equal to the Nominal Amount multiplied by the total of (i) the Floor Level and (ii) the Performance of the Underlying multiplied by the Participation Factor.

The Floor Level will be specified in the respective Final Terms.

The Performance of the Underlying means the average performance of the respective Basket Components_{*i*}, which are taken into account according to their Weightings_{*i*}. The performance of the respective Basket Component_{*i*} is determined using the following formula:

- for *Securities (Vanilla)* the quotient of (i) the difference between the Strike_{*i*} and K_i (final) (as the numerator) and (ii) K_i (final) (as the denominator).
- for *Securities (Self Quanto)* the quotient of (i) the difference between the Strike_{*i*} and K_i (final) (as the numerator) and (ii) the Strike_{*i*} (as the denominator).

For this purpose, the performance of each Basket Component_{*i*} is at least equal to zero.

The Strike_i or the method of its determination is specified in the respective Final Terms.

K_i (initial) means:

- for *Securities for which K_i (initial) has already been specified* the respective FX_i specified in the respective Final Terms or
- for *Securities with an initial FX observation* the respective FX_i on the Initial Observation Date or
- for *Securities with an initial average observation* the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates or
- for *Securities with a Best-in observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-in observation* the lowest FX_i on dates specified in the respective Final Terms.

K_i (final) means:

- for *Securities with a final FX observation* FX_i on the Final Observation Date or
- for *Securities with a final average observation* the equally weighted average (arithmetic average) of the FX_i published on the Final Observation Dates or
- for *Securities with a Best-out observation* the highest FX_i on dates specified in the respective Final Terms or
- for *Securities with a Worst-out observation* the lowest FX_i on dates specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount. In the case of Proxy FX Downside Garant Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 25: GARANT PERFORMANCE TELESCOPE BASKET SECURITIES

General

Garant Performance Telescope Basket Securities are Securities where the redemption on the Maturity Date is based on the Performance of the Underlying. The Underlying is a basket consisting of a number of Basket Components. Under this Base Prospectus, Garant Performance Telescope Basket Securities will be issued in the form of Garant Performance Telescope Basket Securities and Garant Performance Telescope Cap Basket Securities. The Performance of the Underlying (basket) is equal to the average Performance of the Basket Components, which are taken into account according to their respective weighting. The Security Holder participates in the Performance of the Underlying in accordance with the Final Participation Factor, benefiting from rising Performance of the Underlying in relation to the Final Strike Level. The Security Holder receives at least a specified minimum redemption payment. The amount of this payment may be less than the Nominal Amount. In the case of Garant Performance Telescope Cap Basket Securities the Redemption Amount will be not greater than the Maximum Amount.

Furthermore, on the respective Additional Amount Payment Date (k) an Additional Amount (k) is paid, the amount of which depends on the respective Performance of the Underlying (k), taking into account the Participation Factor and the respective D (k). In the case of Securities with a conditional Additional Amount the payment of the Additional Amount (k) will be effected only upon occurrence of an Income Payment Event on the Observation Date (k).

With regard to the redemption, Garant Performance Telescope Basket Securities may be linked to fund shares.

Garant Performance Telescope Basket Securities may be issued as non-Quanto or Quanto Securities. Non-Quanto means that the Underlying is traded in the Specified Currency and that the Securities are therefore not subject to the influence of exchange rate movements. Quanto means that although the Underlying is traded in a currency other than the Specified Currency, exchange rate movements are not taken into account for the Securities.

Interest

The Securities do not bear interest.

Additional Amount

If an Income Payment Event occurs in respect of *Securities with a conditional Additional Amount* on an Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

In the case of *Securities with an unconditional Additional Amount* the Additional Amount will be paid on the respective Additional Amount Payment Date (k) irrespective of the occurrence of an Income Payment Event.

An Income Payment Event means that the Performance of the Underlying (k) is greater than the Strike.

The Performance of the Underlying (k) is the average Performance of the relevant Basket Components_i on the relevant Observation Date (k), which are taken into account according to their Weighting_i.

The Performance of the relevant Basket Component_i on the relevant Observation Date (k) is equal to $K_i(k)$ divided by K_i (initial).

$K_i(k)$ means the Reference Price of the Basket Component_i on the respective Observation Date (k).

The Strike is specified in the respective Final Terms.

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the difference between the Performance of the Underlying (k) and the Strike, (ii) the Participation Factor and (iii) 1/D (k).

In the case of Securities with an unconditional Additional Amount, however, the Additional Amount (k) is not less than the respective Minimum Additional Amount (k).

In the case of Securities with a Maximum Additional Amount (k) the respective Additional Amount (k) is not greater than the respective Maximum Additional Amount (k).

The respective R (initial), the Strike, D (k), the Participation Factor and, if applicable, the Maximum Additional Amount (k) and the Minimum Additional Amount (k) are specified in the respective Final Terms.

Redemption

If no Conversion Event has occurred, the Securities will be redeemed on the Maturity Date at the Redemption Amount following automatic exercise on the Exercise Date. The Redemption Amount is equal to

- (i) the Nominal Amount
- (ii) multiplied by the Floor Level plus
 - (a) the Final Participation Factor multiplied by
 - (b) the Performance of the Underlying minus the Final Strike Level.

The Redemption Amount shall not be less than the Minimum Amount. In the case of Garant Performance Telescope Cap Basket Securities the Redemption Amount is in no case higher than the Maximum Amount.

The Performance of the Underlying means the average Performance of the relevant Basket Components, on the Final Observation Date, which are taken into account according to their Weighting_i.

The Performance of the relevant Basket Component_i is equal to K_i (final) divided by K_i (initial).

K_i (final) means the Reference Price of the Basket Component_i on the Final Observation Date.

The Final Strike Level, the Floor Level, the Final Participation Factor, the Minimum Amount the Maximum Amount (if applicable) will be specified in the respective Final Terms.

The Securities shall be deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed at the Settlement Amount.

PRODUCT TYPE 26: SECURITIES LINKED TO TARGET VOL BASKET STRATEGIES

General

The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.

Redemption on the Maturity Date depends on the performance of the Level of the Target Vol Strategy, which is linked to the performance of the Underlying and the Reference Rate under consideration of a Dynamic Weighting. The Underlying is a weighted basket composed of basket components. The Dynamic Weighting depends on the volatility of the Underlying relative to the Target Volatility. The Reference Rate is taken into account with a weight at the difference between 100% and the Dynamic Weighting. This means (without considering the deduction of the Fees, if any): If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight, and the Reference Rate is taken into account with a positive weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight, and the Reference Rate is taken into account with a negative weight. The Security Holder participates in the performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Security Holder receives at least the Minimum Amount. The Minimum Amount may be equal to, less than or greater than the Nominal Amount.

In respect of their redemption, the Securities may be linked to shares or depository receipts as well as to indices, fund shares or commodities.

The Securities are always issued as Securities with cash settlement.

The Securities may be issued as non-Quanto or Quanto Securities.

Fees, Minimum Amount, Minimum Weight, Maximum Weight, Participation Factor, Reference Rate, Strike and Target Volatility are specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

If no Conversion Event has occurred, the Securities are redeemed on the Maturity Date at the Redemption Amount. The Redemption Amount is equal to

- (i) the Nominal Amount
- (ii) multiplied by the Floor Level plus
 - (a) the Participation Factor multiplied by
 - (b) the quotient of R (final), as the numerator, and R (initial) as the denominator, minus the Strike.

R (initial) means:

- for Securities where R (initial) has already been specified, the level specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Level of the Target Vol Strategy on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy determined on the Initial Observation Dates.

R (final) means:

- for Securities with final Reference Price observation, the Level of the Target Vol Strategy on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy determined on the Final Observation Dates.

The Level of the Target Vol Strategy on each Calculation Date_{*t*} will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with respect to the Calculation Date immediately preceding Calculation Date_{*t*} and (b) the sum of (i) one, (ii) the dynamically weighted Return of the Basket with respect to the Calculation Date_{*t*} and (iii) the dynamically weighted daily fraction (Act/360) of the Reference Rate. The Final Terms may specify a Fee_{TVL}, a Fee_{Basket}, a Fee_{Rate} and/or a Fee_{Strat} to be taken into account by way of deduction.

Return of Basket means the sum of the weighted Performances of the Basket Components_{*i*} minus 1.

The Performance of the Basket Component_{*i*} depends on the Reference Price_{*i*} of the Basket Component_{*i*} on the Calculation Date_{*t*} divided by the Reference Price_{*i*} on the preceding Calculation Date.

Fee_{TVL} (if applicable), Fee_{Basket} (if applicable), Fee_{Rate} (if applicable), Fee_{Strat} (if applicable), Floor Level and Strike are specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 27: SECURITIES LINKED TO TARGET VOL STRATEGIES WITH LOCALLY FLOORED/CAPPED ASIAN OUT

The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.

Redemption on the Maturity Date depends on the performance of the Level of the Target Vol Strategy, which is linked to the performance of the Underlying under consideration of a Dynamic Weighting. The Dynamic Weighting depends on the volatility of the Underlying relative to the Target Volatility. This means (without considering the deduction of the Fees, if any): If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight. The Security Holder participates in the Modified Average Performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Modified Average Performance is the arithmetic average of the Levels of the Target Vol Strategy observed on the Observation Date (l) under consideration of the Local Floor (l) and, if applicable, the Local Cap (l) for the respective Observation Date (l). The Security Holder receives at least the Minimum Amount. The Minimum Amount may be equal to, less than or greater than the Nominal Amount.

In respect of their redemption, the Securities may be linked to Fund Shares.

The Securities are always issued as Securities with cash settlement.

The Securities may be issued as non-Quanto or Quanto Securities.

Fees, Minimum Amount, Minimum Weight, Maximum Weight, Participation Factor, Strike and Target Volatility are specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

If no Conversion Event has occurred, the Securities are redeemed on the Maturity Date at the Redemption Amount. The Redemption Amount is equal to

- (i) the Nominal Amount
- (ii) multiplied by the Floor Level plus
 - (a) the Participation Factor multiplied by
 - (b) the Modified Average Performance minus the Strike.

Modified Average Performance is equal to the quotient of

- (i) the sum of the following values summed up for all Observation Date (l): The maximum of (a) the quotient of R (l) as nominator and R (initial) as denominator and (b) the Local Floor (l) but, if applicable, not more than the Local Cap (l), and

(ii) the number of Observation Date (I) as denominator.

R (initial) means:

- for Securities where R (initial) has already been specified, the level specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Level of the Target Vol Strategy on the Initial Observation Date.

R (I) means the Level of the Target Vol Strategy on the Observation Date (I).

The Level of the Target Vol Strategy on each Calculation Date_t will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with respect to the Calculation Date immediately preceding Calculation Date_t and (b) the sum of (i) one and (ii) the dynamically weighted Return of the Underlying with respect to the Calculation Date_t. The Final Terms may specify a Fee_{Underlying}, a Fee_{RateVariable}, a Fee_{StratFix}, a Fee_{StratVariable} and a Fee_{TVL} to be taken into account by way of deduction.

The Performance of the Underlying depends on the Reference Price of the Underlying on the Calculation Date divided by the Reference Price on the preceding Calculation Date.

Fee_{Underlying} (if applicable), Fee_{RateVariable} (if applicable), Fee_{StratFix} (if applicable), Fee_{StratVariable} (if applicable), Fee_{TVL} (if applicable), Floor Level and Strike are specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

PRODUCT TYPE 28: SECURITIES LINKED TO BASKET TARGET VOL STRATEGIES WITH LOCALLY FLOORED/CAPPED ASIAN OUT

General

The value of the Securities during their term depends decisively on the Level of the Target Vol Strategy. If the Level of the Target Vol Strategy rises, the value of the Securities regularly rises. If the Level of the Target Vol Strategy falls, the value of the Securities regularly falls.

Redemption on the Maturity Date depends on the performance of the Level of the Target Vol Strategy, which is linked to the performance of the Underlying under consideration of a Dynamic Weighting. The Underlying is a weighted basket composed of basket components. The Dynamic Weighting depends on the volatility of the Underlying relative to the Target Volatility. This means (without considering the deduction of the Fees, if any): If the volatility of the Underlying is higher than the Target Volatility then the Level of the Target Vol Strategy participates with less than 100% in the performance of the Underlying, subject to a Minimum Weight. If the volatility of the Underlying is less than the Target Volatility then the Level of the Target Vol Strategy participates with more than 100% in the performance of the Underlying, subject to a Maximum Weight. The Security Holder participates in the Modified Average Performance of the Level of the Target Vol Strategy under consideration of the Participation Factor, benefiting from a rising Level of the Target Vol Strategy in relation to the Strike. The Modified Average Performance is the arithmetic average of the Levels of the Target Vol Strategy observed on the Observation Date (I) under consideration of the Local Floor (I) and, if applicable, the Local Cap (I) for the

respective Observation Date (l). The Security Holder receives at least the Minimum Amount. The Minimum Amount may be equal to, less than or greater than the Nominal Amount.

In respect of their redemption, the Securities may be linked to fund shares.

The Securities are always issued as Securities with cash settlement.

The Securities may be issued as non-Quanto or Quanto Securities.

Fees, Minimum Amount, Minimum Weight, Maximum Weight, Participation Factor, Strike and Target Volatility are specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Redemption

If no Conversion Event has occurred, the Securities are redeemed on the Maturity Date at the Redemption Amount. The Redemption Amount is equal to

- (i) the Nominal Amount
- (ii) multiplied by the Floor Level plus
 - (a) the Participation Factor multiplied by
 - (b) the Modified Average Performance, minus the Strike.

Modified Average Performance is equal to the quotient of

- (i) the sum of the following values summed up for all Observation Date (l): The maximum of (a) the quotient of R (l) as nominator and R (initial) as denominator and (b) the Local Floor (l) but, if applicable, not more than the Local Cap (l), and
- (ii) the number of Observation Date (l) as denominator.

R (initial) means:

- for Securities where R (initial) has already been specified, the level specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Level of the Target Vol Strategy on the Initial Observation Date.

R (l) means the Level of the Target Vol Strategy on the Observation Date (l).

The Level of the Target Vol Strategy on each Calculation Date_t will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with respect to the Calculation Date immediately preceding Calculation Date_t and (b) the sum of (i) one and (ii) the dynamically weighted Return of the Basket with respect to the Calculation Date_t. The Final Terms may specify a Fee_{Basket}, a Fee_{RateVariable}, a Fee_{StratFix}, a Fee_{StratVariable} and a Fee_{TVL} to be taken into account by way of deduction.

Return of Basket means the sum of the weighted Performances of the Basket Components_i minus 1.

The Performance of the Basket Component_i depends on the Reference Price_i of the Basket Component_i on the Calculation Date_i divided by the Reference Price_i on the preceding Calculation Date.

Fee_{Basket} (if applicable), Fee_{RateVariable} (if applicable), Fee_{StratFix} (if applicable), Fee_{StratVariable} (if applicable), Floor Level and Strike are specified in the respective Final Terms.

The Redemption Amount is not less than the Minimum Amount.

The Securities are deemed automatically exercised on the Exercise Date.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Maturity Date at the Settlement Amount.

DESCRIPTIONS OF THE SECURITIES INCORPORATED BY REFERENCE IN THE BASE PROSPECTUS

Base Prospectus for the issuance of Fund-linked Securities 2014

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities the descriptions of the following Securities, as included in the Base Prospectus for the issuance of Fund-linked Securities under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 20 October 2014 (the "**Base Prospectus for the issuance of Fund-linked Securities 2014**"), are hereby incorporated by reference into this Base Prospectus:

- Description of the Securities – Option 2: Fund Index Securities; and
- Description of the Securities – Option 10: Fund Index Telescope Securities.

Base Prospectus for the issuance of Fund-linked Securities 2016

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities included in the Base Prospectus for the issuance of Fund-linked Securities under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 25 May 2016 (the "**Base Prospectus for the issuance of Fund-linked Securities 2016**") the Description of the Securities included in the Base Prospectus for the issuance of Fund-linked Securities 2016 (except Option 5 (*Fund Reverse Convertible Securities*) and Option 6 (*Sprint Securities*)) is hereby incorporated by reference into this Base Prospectus.

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 20 September 2016 (the "**Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016**") the Description of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016 is hereby incorporated by reference into this Base Prospectus.

A list setting out the information incorporated by reference is provided on page 484 et seq.

CONDITIONS OF THE SECURITIES

GENERAL INFORMATION

Part A – General Conditions of the Securities (the "**General Conditions**") must be read together with Part B – Product and Underlying Data (the "**Product and Underlying Data**") as well as Part C – Special Conditions of the Securities (the "**Special Conditions**") (together, the "**Conditions**"). A completed version of the Conditions describes the Terms and Conditions of the respective Tranche of Securities which are part of the relevant Global Note.

The Special Conditions are divided into the Special Conditions which apply to particular product types and Special Conditions which apply to all product types.

For each Tranche of Securities a separate document will be published, the so-called final terms (the "**Final Terms**"). The Final Terms will contain:

- (a) information on the relevant options contained in the General Conditions,
- (b) a consolidated version of the Product and Underlying Data,
- (c) a consolidated version of the Special Conditions,

reflecting the Terms and Conditions of the Securities.

A consolidated version of the General Conditions may be delivered together with the relevant Final Terms. Such consolidated General Conditions will not be part of the relevant Final Terms, neither as an annex nor as an integral part of the Final Terms and such consolidated General Conditions will not be filed with or sent to any competent authority.

STRUCTURE OF THE CONDITIONS

Part A – General Conditions of the Securities

- § 1 Form, Clearing System, Global Note, Custody
- § 2 Principal Paying Agent, Paying Agent, Calculation Agent
- § 3 Taxes
- § 4 Status
- § 5 Substitution of the Issuer
- § 6 Notices
- § 7 Issuance of additional Securities, Repurchase
- § 8 Presentation Period
- § 9 Partial Invalidity, Corrections
- § 10 Applicable Law, Place of Performance, Place of Jurisdiction

Part B – Product and Underlying Data

Part C – Special Conditions of the Securities

[Special Conditions that apply to particular product types:]

Product Type 1: Garant Securities

Product Type 2: All Time High Garant Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 3: FX Upside Garant Securities

Product Type 4: FX Downside Garant Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 5: Garant Cliquet Securities

Product Type 6: Garant Cash Collect Securities

Product Type 7: Garant Performance Cliquet Securities

Product Type 8: Garant Digital Cash Collect Securities

Product Type 9: Garant Performance Cash Collect Securities

Product Type 10: Garant Digital Coupon Securities

Product Type 11 : Garant Digital Cliquet Securities

Product Type 12: Performance Telescope Securities

Product Type 13: Garant Telescope Securities

Product Type 14: Garant Coupon Geoscope Securities

- [§ 1 Definitions
- § 2 Interest, Additional Amount
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 15: Twin-Win Garant Securities

Product Type 16: Win-Win Garant Securities

Product Type 17: Icarus Garant Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 18: Geoscope Securities

- [§ 1 Definitions
- § 2 Interest, Additional Amount
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 19: Garant Basket Securities

Product Type 20: Garant Rainbow Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 21: FX Upside Garant Basket Securities

Product Type 22: FX Downside Garant Basket Securities

Product Type 23: Proxy FX Upside Garant Basket Securities

Product Type 24: Proxy FX Downside Garant Basket Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 25: Garant Performance Telescope Basket Securities

Product Type 26: Securities linked to Basket Target Vol Strategies

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption

§ 4 Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Basket Volatility]

Product Type 27: Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out

[§ 1 Definitions

§ 2 Interest

§ 3 Redemption

§ 4 Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Underlying Volatility]

Product Type 28: Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out

[§ 1 Definitions

§ 2 Interest

§ 3 Redemption

§ 4 Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Basket Volatility]

[Special Conditions that apply to all product types:]

[In the case of Securities with a conversion right of the Issuer, the following applies:

§ 5 Issuer's Conversion Right]

[In the case of Securities without an Issuer's Conversion Right, the following applies:

§ 5 (intentionally omitted)]

§ 6 Payments

§ 7 Market Disruptions

[In the case of a share or depositary receipt as Underlying, the following applies:

§ 8 Adjustments, Replacement Specification]

[In the case of an index as Underlying, the following applies:

§ 8 Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification]

[In the case of a commodity as Underlying, the following applies:

§ 8 Relevant Trading Conditions, Adjustments, Replacement Reference Market]

[In the case of a fund as Underlying, the following applies:

§ 8 Adjustments, Replacement Underlying, Replacement Management Company, Replacement Specification]

[In the case of an index as Underlying referencing funds, the following applies:

§ 8 Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification]

[In the case of an Exchange Rate as Underlying, the following applies:

§ 8 (intentionally omitted)]

[In the case of Securities linked to a basket of shares or depositary receipts, the following applies:

§ 8 Adjustments, Replacement Specification]

[In the case of Securities linked to a basket of indices, the following applies:

§ 8 Index Concept, Adjustments, Replacement Basket Component, New Index Sponsor and New Index Calculation Agent, Replacement Specification]

[In the case of Securities linked to a basket of commodities, the following applies:

§ 8 Relevant Trading Conditions, Adjustments, Replacement Reference Market]

[In the case of Securities linked to a basket of funds, the following applies:

§ 8 Adjustments, Replacement Underlying, Replacement Management Company, Replacement Specification]

[In the case of Securities linked to a basket of exchange rates, the following applies:

§ 8 (intentionally omitted)]

[In the case of Compo Securities and in the case of an exchange rate as Underlying or Securities linked to a basket of exchange rates, the following applies:

§ 9 New Fixing Sponsor, Replacement Exchange Rate]

PART A – GENERAL CONDITIONS OF THE SECURITIES

PART A - GENERAL CONDITIONS OF THE SECURITIES

(the "General Conditions")

§ 1

Form, Clearing System, Global Note, Custody

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of [UniCredit Bank AG (the "**Issuer**")][UniCredit International Bank (Luxembourg) S.A. (the "**Issuer**")]] will be issued as [notes] [certificates] in bearer form pursuant to these Terms and Conditions with a nominal amount in the Specified Currency and in a denomination corresponding to the nominal amount.

[In the case of Securities with a Permanent Global Note from the Issue Date, the following applies:

- (2) *Permanent Global Note:* The Securities are represented by a permanent 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 Securities with a Temporary Global Note which will be exchangeable for a Permanent Global Note, the following applies:¹

- (2) *Temporary Global Note, Exchange:* The Securities are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The Temporary Global Note will be exchangeable for a permanent global note without interest coupons (the "**Permanent Global Note**", and, together with the Temporary Global Note, the "**Global Notes**") on or after the 40th day after the Issue Date (the "**Exchange Date**") only upon delivery of certifications, to the effect that the beneficial owner or owners of the Securities represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding Securities through such financial institutions) (the "**Non-U.S. Beneficial Ownership Certificates**"). The Global Notes bear the manual or facsimile signatures of two authorised representatives 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]. [If CBL and Euroclear Bank are specified as Clearing System, the following applies: The details of such exchange shall be entered into the records of the ICSDs.] The Security Holders are not entitled to receive definitive Securities. The Securities [as co-ownership interests in the Global Notes] may be transferred pursuant to the relevant regulations of the Clearing System

¹ The text found in § 1(2) is known as the "TEFRA D legend". This footnote provides a very brief synopsis of the so-called Excise Tax Exemption (formerly known as TEFRA) rules under the tax code of the United States of America ("U.S."). Generally, debt instruments in non-registered form (bearer securities) which have a maturity of longer than 365 days may be subject to U.S. tax penalties if the issuance of such instruments does not comply with either the TEFRA C or TEFRA D rules. TEFRA C is highly restrictive and may be used only if, among other things, the instruments will not be offered or issued to persons in the U.S. and its possessions, as defined under the U.S. Internal Revenue Code, and the issuer does not "significantly engage in interstate commerce with respect to the issuance." In this case a TEFRA legend is not required. The TEFRA D rules, which are more mechanical than the TEFRA C rules, impose, during a "restricted period", certain restrictions on (i) the offer and sale of the instruments to "U.S. persons" or to persons within the U.S. and its possessions and (ii) the delivery of the instruments in the U.S. The TEFRA D rules also generally require that the owner of an instrument certify as to non-U.S. beneficial ownership and that the instrument contain a "TEFRA D legend" with specific language on its face. Compliance with TEFRA D provides for a safe harbour if instruments are inadvertently issued to U.S. persons. To the extent that Securities have debt characteristics, such as "principal protection", TEFRA C and TEFRA D rules may apply. IF THERE IS ANY DOUBT WHETHER A SECURITY MAY BE CONSIDERED DEBT, U.S. LEGAL AND TAX COUNSEL MUST BE CONSULTED.

"U.S. persons" means such persons as defined in *Regulation S* of the *United States Securities Act of 1933* and particularly includes residents of the United States as well as American stock corporations and private companies.]

[In the case of Securities, where CBF is specified in the Final Terms, the following applies:

- (3) *Custody:* The Global Note will be kept in custody by CBF.]

[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms, the following applies:

- (3) *Custody:* The Global Notes will be issued in classical global note form and will be kept in custody by a common depository on behalf of both ICSDs.]

[In the case of Securities, where Euroclear France is specified in the Final Terms, the following applies:

- (3) *Custody:* The Global Note will be kept in custody by or on behalf of the Clearing System.]

[In the case of Securities, where "Other" is specified in the Final Terms, the following applies:

- (3) *Custody:* The Global Note will be kept in custody by or on behalf of the Clearing System.]

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [*Insert name and address of other paying agent*]. [The French Paying Agent for Euroclear France S.A. is CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France (the "**French 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 § 6 of the General Conditions.
- (2) *Calculation Agent:* The "**Calculation Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich] [*Insert name and address of other calculation agent*].
- (3) *Transfer of functions:* Should any event occur which results in the Principal Paying Agent[, French Paying Agent] or Calculation Agent being unable to continue in its function as Principal Paying Agent[, French Paying Agent] or Calculation Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent[, French Paying Agent] or another person or institution with the relevant expertise as Calculation Agent. Any such transfer of the functions of the Principal Paying Agent[, French Paying Agent] or Calculation Agent shall be notified by the Issuer without undue delay pursuant to § 6 of the General Conditions.
- (4) *Agents of the Issuer:* In connection with the Securities, the Principal Paying Agent[, the French Paying Agent], the Paying Agents and the Calculation Agent 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. [The Principal Paying Agent[, the French Paying Agent] and the Paying Agents shall be exempt from the restrictions of § 181 German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**").

§ 3

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 regard the term "**Taxes**" includes taxes, 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, including a withholding tax pursuant to Section 871(m) of the United States Internal Revenue Code of 1986 ("**871(m) Withholding Tax**").

The Issuer shall in any case be entitled to take into consideration the 871(m) Withholding Tax by applying the maximum tax rate as a flat rate (plus value added tax, if applicable). In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld.

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.

§ 4

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.

§ 5

Substitution of the Issuer

- (1) 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)][(c)] the Issuer and the New Issuer have obtained all necessary authorisations 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)][(d)] 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)][(e)] the Issuer [*In the case of Securities issued from UniCredit International Luxembourg, insert:* and the Guarantor] guarantees proper payment of the amounts due under these Terms and Conditions[.], and]

For purposes of this § 5 (1) "**Affiliate**" means an affiliated company (*verbundenes Unternehmen*) within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*).

- (2) *Notice*: Any such substitution shall be notified in accordance with § 6 of the General Conditions.
- (3) *References*: In the event of any such substitution, any reference in these Terms and Conditions to the Issuer shall from then on 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 from then on be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

§ 6

Notices

To the extent these Terms and Conditions provide for a notice pursuant to this § 6, 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).

[In the case of Securities admitted to trading on the regulated market of, or listed on the official list of the Luxembourg Stock Exchange, the following applies:

All notices concerning the Securities shall also be published in electronic form on the website of the Luxembourg Stock Exchange (www. Bourse.lu).]

§ 7

Issuance of 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 terms and 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.

§ 8

Presentation Period

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

§ 9

Partial Invalidity, Corrections

- (1) *Invalidity:* Should any provision of these Terms and 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 Terms and Conditions is to be filled with a provision that corresponds to the meaning and intent of these Terms and 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 Terms and 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 of the General Conditions. 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 § 6 of the General Conditions. 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 § 6 of the General Conditions 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 et seq. 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. If a market disruption pursuant to § 7 of the Special Conditions exists on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, the last Banking Day preceding the rescission pursuant to paragraph (2) above on which no market disruption existed shall be decisive for the determination of the Acquisition Price in accordance with the preceding sentence.
- (5) *Incomplete or inconsistent provisions:* The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Terms and Conditions in its reasonable discretion (§ 315 et seq. 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 § 6 of the General Conditions.
- (6) *Adherence to corrected Terms and Conditions:* If the Security Holder was aware of typing or calculation errors or similar errors in these Terms and Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Terms and Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

§ 10

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 Terms and Conditions shall be brought before the court in Munich.

PART B – PRODUCT AND UNDERLYING DATA

PART B – PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

[Insert the following product data in alphabetical or different order and/or as a table¹⁹ (particularly in the case of multi-series-issues):

[The Securities are [Quanto][Compo] Securities.]

[Additional Amount (k): *[Insert amounts for each Additional Amount Payment Date (k)]*]

[Additional Amount (l): *[Insert]*]

[Additional Amount Payment Date (k): *[Insert]*]

[Additional Amount Payment Date (l): *[Insert]*]

[Aggregate Nominal Amount of the Series: *[Insert]*]

[Aggregate Nominal Amount of the Tranche: *[Insert]*]

[Banking Day Financial Centre: *[Insert]*]

[Barrier: *[Insert]*]

[Barrier Level: *[Insert]*]

[Barrier Observation Date[s]: *[Insert]*]

[Basket Component_i: *[Insert]*]

[Benchmark: *[Insert]*]

[Benchmark Sponsor: *[Insert]*]

[Bonus Amount: *[Insert]*]

[Cap Level: *[Insert]*]

[Common Code: *[Insert]*]

[D (k): *[Insert]*]

[Designated Maturity: *[Insert]*]

[Fee_{Basket}: *[Insert]*]

[Fee_{Rate}: *[Insert]*]

[Fee_{RateVariable}: *[Insert]*]

[Fee_{StratFix}: *[Insert]*]

[Fee_{StratVariable}: *[Insert]*]

[Fee_{TVL}: *[Insert]*]

¹⁹ Several consecutively numbered tables may be provided in the Final Terms depending on the product type.

[FeeUnderlying: *[Insert]*]
[Final Observation Date[s]: *[Insert]*]
[Final Strike Level: *[Insert]*]
[Final Participation Factor: *[Insert]*]
[First Day of the Barrier Observation Period: *[Insert]*]
[First Day of the Best-out Period: *[Insert]*]
[First Day of the Worst-out Period: *[Insert]*]
[First Interest Payment Date: *[Insert]*]
First Trade Date: *[Insert]*
[Fixing Sponsor: *[Insert]*]
[Floor Level: *[Insert]*]
[FX Fixing Sponsor: *[Insert]*]
[FX Screen Page: *[Insert]*]
[FX Observation Date (final): *[Insert]*]
[FX Observation Date (initial): *[Insert]*]
[FX Screen Page: *[Insert]*]
[Hedging Party: *[Insert]*]
[Initial Observation Date[s]: *[Insert]*]
[Interest Commencement Date: *[Insert]*]
[Interest End Date: *[Insert]*]
[Interest Payment Date: *[Insert]*]
[Interest Rate: *[Insert]*]
ISIN: *[Insert]*
[Issue Date: *[Insert]*]
[Issue Price: *[Insert]*]²⁰
Issue Volume of Series [in units]: *[Insert]*
Issue Volume of Tranche [in units]: *[Insert]*
[Issuing Agent: *[Insert name and address]*]
[k: *[Insert consecutive number]*]
[K_i (initial): *[Insert]*]
[Last Day of the Barrier Observation Period: *[Insert]*]
[Last Day of the Best-in Period: *[Insert]*]

²⁰ If the Issue Price was not specified at the time of the creation of the Final Terms, the method for the price specification and the procedure for its publication shall be defined in *Part A – General Information* of the Final Terms.

[Last Day of the Worst-in Period: *[Insert]*]

[Local Cap (l): *[Insert]*]

[Local Floor (l): *[Insert]*]

Maturity Date: *[Insert]*

[Maximum Additional Amount [(k): *[Insert]*]

[Maximum Amount: *[Insert]*]

[Maximum Permissible Value Range for Fee_{RateVariable}: [●]% to [●]%

[Maximum Permissible Value Range for Fee_{StratVariable}: [●]% to [●]%

[Maximum Weight: *[Insert]*]

[Minimum Additional Amount (k): *[Insert]*]

[Minimum Amount: *[Insert]*]

[Minimum Weight: *[Insert]*]

[N: *[Insert]*]

[Nominal Amount: *[Insert]*²¹]

[Observation Date (k): *[Insert]*]

[Observation Date (l): *[Insert]*]

[Participation Factor: *[Insert]*]

[Participation Factor_{Best}: *[Insert]*]

[Principal Paying Agent: *[Insert]*]

[R (initial): *[Insert]*]

[Rebate Amount: *[Insert]*]

[Reference Price: *[Insert]*]

[Reference Price_i: *[Insert]*]

Reuters: *[Insert]*

[Screen Page: *[Insert]*]

Series Number: *[einfügen]*

Specified Currency: *[Insert]*

[Strike: *[Insert]*]

[Strike (k-1): *[Insert]*]

[Strike_{best}: *[Insert]*]

[Strike_i: *[Insert]*]

[Strike Level: *[Insert]*]

[Target Volatility: *[Insert]*]

²¹ In the case of Garant Telescope Securities and Garant Cliquet Securities issued by UniCredit Bank, the Nominal Amount shall not be less than EUR 1,000.

Tranche Number: *[Insert]*

Underlying: *[Insert]*

[Volatility Observation Period (VOP): *[Insert number of days]*

[Volatility Observation Period Offset (Offset): *[Insert]*

Website[s] for Notices: *[Insert]*

Website[s] of the Issuer: *[Insert]*

[Weighting_i (W_i): *[Insert]*

[Weighting_{i best} (W_{i best}): *[Insert]*

WKN: *[Insert]*

§ 2

Underlying Data

[In the case of Securities linked to a share or a depository receipt as Underlying, the following applies:

[Table 2.1:]

Underlying	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	Relevant Exchange	Website
<i>[Insert name of Underlying]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert RIC]</i>	<i>[Insert Bloomberg ticker]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or each successor page).]

[In the case of Securities linked to a basket of shares or depository receipts as Underlying, the following applies:

[Table 2.1:]

Basket Component_i	Currency of the Basket Component_i	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Relevant Exchange_i	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[Insert RIC₁]</i>	<i>[Insert Bloomberg ticker₁]</i>	<i>[Insert Relevant Exchange₁]</i>	<i>[Insert Website₁]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[Insert RIC_N]</i>	<i>[Insert Bloomberg ticker_N]</i>	<i>[Insert Relevant Exchange_N]</i>	<i>[Insert Website_N]</i>

For further information regarding the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table (or each successor page).]

[In the case of Securities linked to an index as Underlying, the following applies:]

[Table 2.1:]

Underlying	[Index Type]	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	Index Sponsor	Index Calculation Agent	Website
<i>[Insert name of Underlying]</i>	[Price Return] [Net Return] [Total Return] [Excess Return] [Distributing Index]	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert RIC]</i>	<i>[Insert Bloomberg ticker]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor page).]

[In the case of Securities linked to a basket of indices as Underlying, the following applies:]

[Table 2.1:]

Basket Component_i	Currency of the Basket Component_i	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Index Sponsor_i	Index Calculation Agent	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[RIC₁ einfügen]</i>	<i>[Insert Bloomberg ticker₁]</i>	<i>[Insert Index Sponsor₁]</i>	<i>[Insert Index Calculation Agent₁]</i>	<i>[Insert Website₁]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[RIC_N einfügen]</i>	<i>[Insert Bloomberg ticker_N]</i>	<i>[Insert Index Sponsor_N]</i>	<i>[Insert Index Calculation Agent_N]</i>	<i>[Insert Website_N]</i>

For further information regarding the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table (or each successor page).]

[In the case of Securities linked to a commodity as Underlying, the following applies:

[Table 2.1:]

Underlying	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	Reference Market	Website
<i>[Insert name of Underlying]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert RIC]</i>	<i>[Insert Bloomberg ticker]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor page).]

[In the case of Securities linked to a basket of commodities as Underlying, the following applies:

[Table 2.1:]

Basket Component_i	Currency of the Basket Component_i	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Reference Market_i	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[RIC₁ einfügen]</i>	<i>[Insert Bloomberg ticker₁]</i>	<i>[Insert Reference Market₁]</i>	<i>[Insert Website₁]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[RIC_N einfügen]</i>	<i>[Insert Bloomberg ticker_N]</i>	<i>[Insert Reference Market_N]</i>	<i>[Insert Website_N]</i>

For further information regarding the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table (or each successor page).]

[In the case of Securities linked to a FX exchange rate as Underlying, the following applies:

[Table 2.1:]

Underlying	Base Currency	Counter Currency	Fixing Sponsor	FX Screen Page
[Insert name of FX Exchange Rate]	[Insert]	[Insert]	[Insert]	[Insert]

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the FX Screen Page as specified in the table (or any successor page).]

[In the case of Securities linked to a basket of FX exchange rates as Underlying, the following applies:

[Table 2.1:]

Basket Component_i	Base Currency_i	Counter Currency_i	Fixing Sponsor_i	FX Screen Page
[Insert name of FX exchange rate _i]	[Insert Base Currency _i]	[Insert Counter Currency _i]	[Insert Fixing Sponsor _i einfügen]	[Insert FX Screen Page _i]
[Insert name of FX exchange rate _N]	[Insert Base Currency _N]	[Insert Counter Currency _N]	[Insert Fixing Sponsor _N]	[Insert FX Screen Page _N]

For further information regarding the past and future performance of the Basket Components and their volatility, please refer to the FX Screen Page as specified in the table (or each successor page).]

[In the case of Securities linked to a fund as Underlying, the following applies:

[Table 2.1:

Underlying	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	
[Insert name of Underlying]	[Insert]	[Insert]	[Insert]	[Insert RIC]	[Insert Bloomberg ticker]	

[Table 2.2:

Underlying	[Administrator]	[Investment Adviser]	[Custodian Bank]	[Management Company]	[Portfolio Manager]	[Relevant Exchange]	[Auditor]	[Website]
<i>[Insert name of Underlying]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor page).]

[Table 2.1:

Basket Component_i	Currency of the Basket Component_i	[Weighting (W_i)]	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]
<i>[Insert name of Basket Component_i]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor page).]

[Table 2.2:

Basket Component_i	[Administrator_i]	[Investment Adviser_i]	[Custodian Bank_i]	[Management Company_i]	[Portfolio Manager_i]	[Relevant Exchange_i]	[Auditor_i]	[Website_i]
<i>[Insert name of Basket Component_i]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>

[Insert name of Basket Component _N]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]
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For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor page).]

PART C – SPECIAL CONDITIONS OF THE SECURITIES

PART C – SPECIAL CONDITIONS OF THE SECURITIES

(the "Special Conditions")

[Special Conditions that apply to particular product types:

Product Type 1: Garant Securities

Product Type 2: All Time High Garant Securities

[In the case of [All Time High] Garant Securities, the following applies:

§ 1

Definitions

[In the case of Act/Act (ICMA), the following applies:

"**Accrual Period**" means each period for which an Interest Amount is to be calculated.]

["**Additional Amount (I)**" means the Additional Amount (I) as specified in § 1 of the Product and Underlying Data.]

["**Additional Amount Payment Date (I)**" means the Additional Amount Payment Date (I) as specified in § 1 of the Product and Underlying Data.]

"**Adjustment Event**" means [each of the following events]:

[In the case of a share or a depository receipt as Underlying, the following applies:

- (a) each measure taken by the company that has issued the Underlying or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital, affect the Underlying not only immaterially (in particular capital increase against cash contribution, issuance of securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying, or
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of an index as Underlying, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the Underlying, that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the calculation or publication of the Underlying is finally discontinued, or replaced by

another index (the "**Index Replacement Event**");

- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Underlying as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall be deemed not be responsible for a termination of the license to use the Underlying due to an economically unreasonable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a commodity as Underlying, the following applies:

[(a)] any changes in the Relevant Trading Conditions of the Underlying that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).];

(b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying other than ETF, the following applies:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue, redemption or transfer of Fund Shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or a provider of fund services appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the

Fund Management as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (h) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) that is material, or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, purchase, redemption, sale or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares outstanding;
- (l) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
- (m) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash (unless such distribution in kind is at the option of a shareholder in the Fund or it is specified in the Fund Documents as the normal practice) or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (o) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all

- the Fund Shares to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
 - (r) the Issuer loses the right to use the Fund Share as the Underlying for the Securities;
 - (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (t) no notification is given of the basis of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
 - (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (v) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (w) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (x) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (y) any other event that could have a noticeable adverse effect on the NAV of the Fund or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (z) the NAV is no longer published in the Underlying Currency,
 - (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.][the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is *[Insert number of days]*;

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent *[Insert number of days]* Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of *[Insert]%*.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding *[Insert number of days]* Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent *[Insert number of days]* Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[In the case of ETF as Underlying, the following applies:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or

- (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue or purchase, redemption or sale or transfer of Fund Shares are executed only partially or not at all;
 - (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (d) the Fund or the Management Company or a provider of fund services appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
 - (e) a change in the legal form of the Fund;
 - (f) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Relevant Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (g) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
 - (i) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (j) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) that is material, or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (l) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially

- higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (m) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares outstanding;
 - (n) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
 - (o) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (p) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (q) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (r) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
 - (s) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
 - (t) the Issuer loses the right to use the Fund Share as the Underlying for the Securities;
 - (u) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (v) no notification is given of the basis of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
 - (w) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (x) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect

or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (y) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (aa) any other event that could have a noticeable adverse effect on the NAV of the Fund or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (bb) the NAV is no longer published in the Underlying Currency,
- (cc) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]
- [(dd) a Hedging Disruption occurs];[.]

[[dd]][(ee)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.][the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding *[Insert number of days]* Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent *[Insert number of days]* Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]]

[In the case of an index as Underlying referencing funds, the following applies:

each Index Adjustment Event and Fund Adjustment Event.]

["**Administrator**"] means [the Administrator [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company appoints another person, company or institution as the Administrator of the Fund, each and every reference to the Administrator in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of providing administrative services to the Fund.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the Series as specified in § 1 of the Product and Underlying Data.]

["**Auditor**"] means [the Auditor [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Auditor of the Fund, each and every reference to the Auditor in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor][in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report].]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("**TARGET2**") are open for business][is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"Banking Day Financial Centre" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"Benchmark" means the index as specified in § 1 of the Product and Underlying Data.

"Benchmark Calculation Date" means each day on which the Benchmark Reference Price is calculated and published by the Benchmark Sponsor.

"Benchmark Reference Price" means the closing price of the Benchmark.

"Benchmark Sponsor" means the Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Benchmark, that in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent result in a new relevant index concept or calculation of the Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Benchmark;
- (b) the calculation or publication of the Benchmark is finally discontinued, or replaced by another index (the **"Benchmark Replacement Event"**);
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Benchmark as basis for any calculation or specifications described in these Terms and Conditions;
- (d) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Benchmark.

In cases of a Benchmark Replacement Event the Calculation Agent is entitled to determine in its reasonable discretion (§ 315 et seq. BGB), which index should be used in the future as a Benchmark (the **"Replacement Benchmark"**). The Replacement Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Benchmark.

If the Benchmark is no longer determined by the Benchmark Sponsor but rather by another person, company or institution (the **"New Benchmark Sponsor"**), then any calculation described in these Terms and Conditions shall occur on the basis of the Benchmark as determined by the New Benchmark Sponsor. In this case, any reference to the replaced Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

[In the case of All Time High Garant Securities, the following applies:

"Best Performance of the Underlying" means the quotient of R (final)_{best}, as the numerator, and R (initial), as the denominator.]

[In the case of Securities with a Best-in observation, the following applies:

"Best-in Period" means each Relevant Observation Date (initial) between the Initial Observation Date (inclusive) and the Last Day of the Best-in Period (inclusive).]

[In the case of Securities with a Best-out observation, the following applies:

"Best-out Period" means each Relevant Observation Date (final) between the First Day of the Best-out Period (inclusive) and the Final Observation Date (inclusive).]

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price is [normally] published by the [Fund or the Management Company][Relevant Exchange][Index Sponsor or the Index Calculation Agent, as the case may be][Reference Market].

[In the case of [All Time High] Garant Cap Securities, the following applies:

"**Cap Level**" means the Cap Level as specified in § 1 of the Product and Underlying Data.]

["**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),

that becomes effective on or after the Issue Date of the Securities,

[(a)] the holding, acquisition or sale of the Underlying or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades with respect to the [Underlying] [securities that form the basis of the Underlying]; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"**Clearance System Business Day**" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.]

[In the case of Securities with CBF as Clearing System, the following applies:

"**Clearing System**" means Clearstream Banking AG, Frankfurt am Main ("CBF").]

[In the case of Securities with 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**").]

[In the case of Securities with another Clearing System, the following applies:

"**Clearing System**" means [Insert other Clearing System(s)].]

["**Commodity Conversion Event**" means each of the following:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;]
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Conversion Event" means [Share Conversion Event] [Index Conversion Event][,] [Commodity Conversion Event] [Fund Conversion Event][,][or FX Conversion Event][Change in Law [and/or a Hedging Disruption [and/or Increased Cost of Hedging]].]

"Custodian Bank" means [the Custodian Bank [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Custodian Bank of the Fund, each and every reference to the Custodian Bank in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank] [, in relation to a Fund, a person, company or institution acting as custodian of the Fund's assets according to the Fund Documents].]

"Day Count Fraction" means the Day Count Fraction as specified in § 2 (4) of the Special Conditions.]

"Determining Futures Exchange" means the futures exchange, on which derivatives of the Underlying [or – if derivatives on the Underlying are not traded – of its components] (the **"Derivatives"**) are most liquidly traded; such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Determining Futures Exchange, such as a final discontinuation of derivatives' quotation linked to the Underlying [or to its components] at the Determining Futures Exchange or a considerably restricted number or liquidity, it shall be substituted as the Determining Futures Exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the **"Substitute Futures Exchange"**); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Determining Futures Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange.]

[In the case of ETF as Underlying the following applies:

"Exchange Traded Fund" means a Fund specified as Exchange Traded Fund in § 2 of the Product and Underlying Data.]

"Exercise Date" means the [last] Final Observation Date.

[In the case of Securities with a Best-out observation period, the following applies:

"First Day of the Best-out Period" means the First Day of the Best-out Period specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"First Day of the Distribution Observation Period" means the first Initial Observation Date.]

[In the case of Securities with a Worst-out observation, the following applies:

"First Day of the Worst-out Period" means the First Day of the Worst-out Period specified in § 1 of the Product and Underlying Data.]

"First Interest Payment Date" means the First Interest Payment Date as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"Fund" means, in relation to a Fund Share, the investment fund issuing that Fund Share or the Fund in whose assets the Fund Share represents a proportional interest.]

[In the case of an index as Underlying, referencing funds, the following applies:

"Fund Adjustment Event" means:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which affect the ability of the Issuer and/or the Hedging Party to comply with the terms of its hedging transactions, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the respective method of calculating the net asset value or (v) the timetable for the subscription, issue, redemption and/or transfer of the Fund Shares, whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Fund and where included in the Underlying); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of a corresponding authorisation of the Fund or of the Management Company by the relevant authority; or (iv) the initiation of investigatory proceedings, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- (f) a breach of the investment objectives or the investment restrictions of the Fund (as defined in the Fund Documents) or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer or the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer or the Hedging Party with respect to its hedging transactions to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) an increase in the proportion of the volume held by the Issuer and the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into hedging transactions beyond *[Insert relevant percentage]*% of the outstanding Fund Shares in the Fund;
- (i) the Issuer or the Hedging Party is required to consolidate the Fund as a result of accounting or other regulations;
- (j) the sale or redemption of Fund Shares for reasons affecting the Issuer or the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;

- (k) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of so-called side pockets for segregated assets of the Fund; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (l) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer, the Hedging Party or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (m) no notification is given of the bases of taxation for the Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with § 5 (1) InvStG in the future;
- (n) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Index Calculation Agent, the Issuer or the Hedging Party in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (o) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (p) the Fund or the Management Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (q) any other event that could have a noticeable adverse effect on the net asset value of the Fund or on the ability of the Hedging Party to hedge its obligations under the hedging transactions on more than a temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")];
- (s) a Hedging Disruption occurs.

The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of a fund as Underlying, the following applies:

"Fund Conversion Event" means any of the following events:

- (a) [no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)]
- [(b)] [no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)]

[(b)] [(c)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s]:

[c] [(d)] an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a "**Fund Replacement Event**"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"**Fund Documents**" means, in relation to [the Fund][a Fund], in each case, if available and in the respective valid version: the annual report, the half-yearly report, [the interim reports,] the sales prospectus, the terms and conditions of the Fund [, if applicable, the articles of association], the key investor information document and all other documents of the [Reference]Fund in which the terms and conditions of the [Reference]Fund and of the Fund Shares are specified.]

[In the case of a fund as Underlying, the following applies:

"**Fund Management**" means the persons responsible for the portfolio and/or risk management of the Fund.]

[In the case of a fund as Underlying or an index as Underlying, referencing funds, the following applies:

"**Fund Services Provider**" means, if available, [in relation to a Fund] the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor [of the Fund].

"**Fund Share**" means [a unit or share of the Fund and of the class set out in § 1 of the Product and Underlying Data][an Index Component which is a unit or share in a Fund].]

[In the case of Compo Securities, the following applies:

"**Fixing Sponsor**" means the Fixing Sponsor, as specified in § 1 of the Product and Underlying Data.

"**FX**" means the [official] fixing of the FX Exchange Rate as published [[[Insert] [p.m.] [a.m.] [Insert] local time] by the Fixing Sponsor on the FX Screen Page (or any successor page).

"**FX Calculation Date**" means each day on which FX is published by the Fixing Sponsor.

"**FX Conversion Event**" means each of the following events:

- (a) no suitable New Fixing Sponsor (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate (as specified in § 9 (2) of the Special Conditions) is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on FX) the reliable determination of FX is impossible or impracticable.]

"**FX Exchange Rate**" means the exchange rate for the conversion of [the Specified Currency into the Underlying Currency] [the Underlying Currency into the Specified Currency].

"**FX (final)**" means FX on the FX Observation Date (final).

"**FX (initial)**" means FX on the FX Observation Date (initial).

"**FX Market Disruption Event**" means each of the following events:

- (a) the failure of the Fixing Sponsor to publish the FX;

(b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of FX (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;

(c) any other events with commercial effects which are similar to the events listed above;

to the extent that the above-mentioned events are material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"FX Observation Date (final)" means the FX Observation Date (final) [as specified in § 1 of the Product and Underlying Data][immediately following the [last] Final Observation Date].]

"FX Observation Date (initial)" means the FX Observation Date (initial) [as specified in § 1 of the Product and Underlying Data][immediately prior to the [first] Initial Observation Date].]

"FX Screen Page" means the FX Screen Page as specified in § 1 of the Product and Underlying Data.]

"Hedging Disruption" means that the Issuer is not able to

(a) 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

(b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date; whether this is the case shall be determined by the Issuer in its reasonable (§ 315 et seq. BGB).]

[In the case of an index as Underlying referencing funds, the following applies:

"Hedging Party" means the Hedging Party as specified in § 1 of the Product and Underlying Data. The Calculation Agent shall be entitled to specify another person or company as the Hedging Party (the **"Successor Hedging Party"**) at any time. The Calculation Agent shall give notice of the specification of a Successor Hedging Party pursuant to § 6 of the General Conditions. In this case each and every reference to the Hedging Party in these Terms and Conditions, depending on the context, shall be deemed to refer to the Successor Hedging Party.]

"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 First Trade Date in order to

(a) 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

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB). Cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

"Interest Amount" means the Interest Amount specified in § 2 (3) of the Special Conditions.

"Interest Commencement Date" means the Interest Commencement Date as specified in § 1 of the Product and Underlying Data.

"Interest End Date" means the Interest End Date as specified in § 1 of the Product and Underlying Data.]

[In the case of Act/Act (ICMA), the following applies:

"Interest Payment Date" is *[Insert day and month]* in each year.]

"Interest Payment Date" means [the] [each] [Interest Payment Date as specified in § 1 of the Product Data and Underlying Data] [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. The last Interest Payment Date means the Interest End Date].]

[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.]

"Interest Period" means the [relevant] 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 § 2 (2) of the Special Conditions.]

[In the case of an index as Underlying referencing funds, the following applies:

"Index Adjustment Event" means any of the following events:

(a) changes in the relevant Index Concept or the calculation of the Underlying that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

(b) the calculation or publication of the Underlying is permanently discontinued or it is replaced by another index (the **"Index Replacement Event"**);

[(c) the Reference Price is no longer published in the Underlying Currency;]

[[c)][(d)] Hedging Disruption;]

[(c)][(d)][(e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].

"Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

"Index Component" means, in relation to the Underlying, an asset or a reference value which is incorporated in the calculation of the Underlying at the relevant time.]

"Index Conversion Event" means each of the following events:

(a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);

(b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];

(c) the Underlying is no longer calculated or published in the Underlying Currency[;

(d) no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);

(e) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"Investment Adviser" means [the Investment Adviser [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Investment Adviser of the Fund, each and every reference to the Investment Adviser in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser][in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an adviser with respect to the investment activities of the Fund].]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with a Best-in observation, the following applies:

"Last Day of the Best-in Period" means the Last Day of the Best-in Period specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"Last Day of the Distribution Observation Period" means the last Final Observation Date.]

[In the case of Securities with a Worst-in observation, the following applies:

"Last Day of the Worst-in Period" means the Last Day of the Worst-in Period specified in § 1 of the Product and Underlying Data.]

"Management Company" means [the Management Company [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund specifies another person, company or institution as the Management Company of the Fund, each and every reference to the Management Company in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company][, in relation to a Fund, a person, company or institution that manages the Fund according to the Fund Documents].]

"Market Disruption Event" means each of the following events:

[In the case of a share or a depository receipt as Underlying, the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying, the following applies:

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities that form the basis of the Underlying][components of the Underlying] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying are listed or traded;
- (b) in relation to [individual securities which form the basis of the Underlying][components of the Underlying], the suspension or restriction of trading on the exchanges or on the markets on which such [securities][components] are traded

or on the respective futures exchange or the markets on which derivatives of such [securities][components] are traded;

- (c) in relation to individual Derivatives of the Underlying, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the Underlying as a result of a decision by the Index Sponsor or the Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price, which is relevant for the Securities, and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange.]

[In the case of a commodity as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Reference Market or, as the case may be, the Determining Futures Exchange shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.]

[In the case of a fund as Underlying other than ETF the following applies:

- (a) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company,
- (b) the closure, conversion or insolvency of the Underlying or other circumstances which make it impossible to determine the NAV, or
- (c) it is not possible to trade Fund Shares at the NAV. This also covers cases in which the Fund, the Management Company or the Fund Services Provider on their behalf decides to suspend the redemption or issue of Fund Shares for a specified period or to restrict the redemption or issue of Fund Shares to a specified portion of the Fund volume or to levy additional fees, or
- (d) the Fund or the Management Company redeems the Fund Shares in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)]

[In the case of ETF as Underlying the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;
- [(d) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company;]

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material [(with exception of (d) for which the time at which the NAV is usually published should be the relevant point in time)]; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying referencing a fund, the following applies:

with respect to the Underlying:

- (a) the suspension or restriction of trading generally on the exchanges or markets on which the Index Components are traded;
- (b) in relation to an Index Component, the suspension or restriction of trading on the exchanges or markets on which that Index Component is traded or on the respective futures exchanges or markets on which derivatives linked to that Index Component are traded;
- (c) in relation to individual derivatives linked to the Underlying, the suspension or restriction of trading on the futures exchanges or markets on which such derivatives are traded;
- (d) the failure to calculate or the cessation or non-publication of the calculation of the Underlying as the result of a decision by the Index Sponsor or the Index Calculation Agent;

with respect to a Fund:

- (e) in relation to a Fund, the failure to calculate or the non-publication of the calculation of the respective NAV as the result of a decision by the respective Management Company or a Fund Services Provider on its behalf,
- (f) in relation to a Fund, the closure, conversion or insolvency of the Fund or other circumstances which make it impossible to determine the NAV;
- (g) in relation to a Fund, it is not possible to trade Fund Shares at the NAV, including the utilisation of provisions which suspend the redemption or issuance of Fund Shares for a particular period or restrict them to a particular portion of the volume of the Fund or make them subject to the imposition of additional charges, or which permit particular assets to be segregated or payment to be made in kind instead of in cash or in the case in which payment is not made in full on the redemption of Fund Shares;
- (h) in relation to a Fund, comparable provisions which affect the ability of the Issuer to hedge its obligations under the Securities; and
- (i) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded;

to the extent that the event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

"Maturity Date" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

[In the case of [All Time High] Garant Cap Securities, the following applies:

"Maximum Amount" means [the Maximum Amount as specified in § 1 of the Product and Underlying Data][Nominal Amount x Cap Level][Nominal Amount x (Floor Level + (Cap Level – Strike) [x FX (initial) / FX (final)] [FX (final) / FX (initial)]).]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"NAV" means the official net asset value (the **"Net Asset Value"**) for a Fund Share as published by the Fund or the Management Company or by a third person on their behalf and at which it is actually possible to redeem Fund Shares.]

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date, the [immediately][next] following [Banking Day] [day], which is a Calculation Date shall be the [respective] Initial Observation Date.

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date, the [immediately][next] following [Banking Day] [day] which is a Calculation Date shall be the [respective] Final Observation Date. [The Maturity Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date will be postponed accordingly.] Interest shall not be payable due to such postponement.

[In the case of Securities with Best-in or Worst-in observation, the following applies:

"Relevant Observation Date (initial)" means [insert relevant day(s)].]

[In the case of Securities with Best-out or Worst-out observation and in the case of All Time High Garant Securities, the following applies:

"Relevant Observation Date (final)" means [insert relevant day(s)].]

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

[In the case of All Time High Garant Securities, the following applies:

"Participation Factor_{best}" means the Participation Factor_{best} as specified in § 1 of the Product and Underlying Data.]

"Performance of the Underlying" means the quotient of R (final) as the numerator and R (initial) as the denominator.

"Portfolio Manager" means [the Portfolio Manager [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Portfolio Manager of the Fund, each and every reference to the Portfolio Manager in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager][, in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an portfolio manager with respect to the investment activities of the Fund].]

"**Principal Paying Agent**" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities with final Reference Price observation, the following applies:

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"**R (final)**" means the value of the product of Reference Price and Reference Price Adjustment Factor on the Final Observation Date.]

[In other cases, the following applies:

"**R (final)**" means the Reference Price on the Final Observation Date.]

[In the case of Securities with final average observation, the following applies:

"**R (final)**" means the equally weighted average (arithmetic average) of the Reference Prices specified on the Final Observation Dates.]

[In the case of Securities with [Best] [Worst]-out observation, the following applies:

"**R (final)**" means the [highest] [lowest] Reference Price on [each of the Final Observation Dates] [each [Insert relevant day(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including)].]

[In the case of All Time High Garant Securities, the following applies:

"**R (final)_{best}**" means the highest Reference Price [of the Reference Prices determined on each of the Final Observation Dates] [of the Reference Prices determined on each Relevant Observation Date (final) between the First Day of the Best out-Period (inclusive) and the [last] Final Observation Date (inclusive)].]

[In the case of Securities where R (initial) has already been specified, the following applies:

"**R (initial)**" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

"**R (initial)**" means the Reference Price on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"**R (initial)**" means the equally weighted average (arithmetic average) of the products of Reference Prices and Reference Price Adjustment Factors, determined on the Initial Observation Dates.]

[In other cases, the following applies:

"**R (initial)**" means the equally weighted average (arithmetic average) of the Reference Prices specified on the Initial Observation Dates.]

[In the case of Securities with [Best] [Worst]-in observation, the following applies:

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"**R (initial)**" means the [highest][lowest] value of the product of Reference Price and Reference Price Adjustment Factor during the [Best][Worst]-in Period.]

[In other cases, the following applies:

"**R (initial)**" means the [highest] [lowest] Reference Price on [each of the Initial Observation Dates] [each [Insert relevant day(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

"**Redemption Amount**" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"Reference Market" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"Reference Price" means the Reference Price of the Underlying as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with a fund as Underlying and where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:]

"Reference Price Adjustment Factor" means, in relation to an Observation Date, the product of all the Underlying Distribution Factors for which the Underlying Distribution Ex-Date falls into [the period] [the time] between the First Day of the Distribution Observation Period (exclusive) and the respective Observation Date (inclusive).]

"Relevant Exchange" means the [Relevant Exchange as specified [in the column "Relevant Exchange" in Table 2.1] in § 2 of the Product and Underlying Data][exchange on which the components of the Underlying are most liquidly traded; such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Relevant Exchange, such as a final discontinuation of the quotation [of the components] of the Underlying at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the Relevant Exchange by another exchange that offers satisfactorily liquid trading in the Underlying (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Relevant Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange.]

"Security Holder" means the holder of a Security.

"Settlement Cycle" means [the period of Clearance System Business Days following a transaction on the Relevant Exchange [with respect to the Underlying][in the securities that form the basis of the Underlying] during which period settlement will customarily take place according to the rules of such Relevant Exchange][the number of Clearance System Business Days within which the settlement of subscriptions or redemptions of Fund Shares will customarily occur according to the rules of the Clearance System.]

"Share Conversion Event" means each of the following events:

- (a) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the quotation of the Underlying at the Relevant Exchange no longer occurs in the Underlying Currency;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Specified Currency" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"Strike" means the Strike as specified in § 1 of the Product and Underlying Data.

"Strike_{best}" means the Strike as specified in § 1 of the Product and Underlying Data.

"Terms and Conditions" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means [the Underlying][a Fund Share] as specified in § 1 of the Product and Underlying Data.

"**Underlying Currency**" means the Underlying Currency as specified in § 2 of the Product and Underlying Data.

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:]

"**Underlying Distribution**" means each cash distribution specified by the Calculation Agent in its reasonable discretion (§ 315 BGB) that is declared and paid by the Fund or the Management Company in respect of the Underlying.

"**Underlying Distribution Date**" means, in relation to an Underlying Distribution, the Calculation Date immediately prior to the respective Underlying Distribution Ex-Date.

"**Underlying Distribution Ex-Date**" means, in relation to an Underlying Distribution, the first day on which the NAV is published having been reduced by that Underlying Distribution.

"**Underlying Distribution Factor**" means the Underlying Distribution Factor calculated by the Calculation Agent in respect of each Underlying Distribution Ex-Date within the Underlying Distribution Observation Period as the total of (i) one and (ii) the quotient of the respective Underlying Distribution (net) and the NAV on the respective Underlying Distribution Date.

"**Underlying Distribution (net)**" means, in relation to an Underlying Distribution, that Underlying Distribution less an amount specified by the Calculation Agent in its reasonable discretion (§ 315 BGB) equal to the taxes, levies, retentions, deductions or other charges that would arise with respect to the cash distribution for a private investor fully liable to tax in Germany if he were the holder of the Underlying.

"**Underlying Distribution Observation Period**" means each Calculation Date between the First Day of the Distribution Observation Period (exclusive) and the Last Day of the Distribution Observation Period.]

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with a Worst-in observation period, the following applies:]

"**Worst-in Period**" means each Relevant Observation Date (initial) between the Initial Observation Date (inclusive) and the Last Day of the Worst-in Period (inclusive).]

[In the case of Securities with a Worst-out observation period, the following applies:]

"**Worst-out Period**" means each Relevant Observation Date (final) between the First Day of the Worst-out Period (inclusive) and the Final Observation Date (inclusive).]

§ 2

Interest[, Additional Amount]

[(1)] *Interest:* The Securities do not bear interest.

[[(1)] *Interest:* The Securities bear interest on their [Aggregate Nominal Amount] [Nominal Amount][per Security] from the Interest Commencement Date to the Interest End Date at the Interest Rate.]

[(1)] *Interest:* The Securities bear interest on their [Aggregate Nominal Amount] [Nominal Amount] for [the] [each] Interest Period at the Interest Rate.]

(2) *Interest Rate:* "Interest Rate" means the Interest Rate as specified in § 1 of the Product and Underlying Data [for each Interest Period].

- (3) Interest Amount: The [respective] "Interest Amount" is the product of the Interest Rate, the [Aggregate Nominal Amount] [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 § 6 of the Special Conditions.

- [(4) *Day Count Fraction*: "**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:

[30/360] [360/360] [Bond Basis] in accordance with ISDA 2000, calculated as 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:

[30/360] [360/360] [Bond Basis] in accordance with ISDA 2006, calculated as 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" 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 D₁ is greater than 29, in which case D₂ will be 30.]

[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2000 (German interest calculation method), the following applies:

[30E/360] [Eurobond Basis] in accordance with ISDA 2000 (German interest calculation method), calculated as 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 Maturity 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:

[30E/360] [Eurobond Basis] in accordance with ISDA 2006, calculated as 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period unless such number would be 31, in which case D₁ will be 30; and

"D₂" 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 D₂ would be 30.]

[In the case of "30E/360 (ISDA)" in accordance with ISDA 2006 (German interest calculation method), the following applies:

30E/360 (ISDA) in accordance with ISDA 2006 (German interest calculation method), calculated as 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D₁" 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 D₁ will be equal to 30; and

"D₂" 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 Maturity Date, or (ii) such number would be 31, in which case D₂ will be equal to 30.]

[In the case of "Act/360", the following applies:

Act/360, calculated as the actual number of days in the Interest Period divided by 360.]

[In the case of "Act/365" (Fixed), the following applies:

Act/365 (Fixed), calculated as the actual number of days in the Interest Period divided by 365.]

[In the case of "Act/Act (ISDA)", the following applies:

Act/Act (ISDA), calculated as 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 (A) the actual number of days in the Interest Period that fall into the leap year divided by 366, and (B) 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:

- (4) **"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].]

]

[In the case of Securities with an unconditional Additional Amount, the following applies:

- (2) *Additional Amount:* The respective Additional Amount (1) will be paid on the Additional Amount Payment Date (1) pursuant to the provisions of § 6 of the Special Conditions.]

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 1: Garant Securities

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (Performance of the Underlying – Strike) [x FX (initial) / FX (final)] [x FX (final) / FX (initial)])

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

[Product Type 2: All Time High Garant Securities

Redemption Amount = Nominal Amount x (Floor Level + Max (Participation Factor x (Performance of the Underlying – Strike); Participation Factor_{best} x Best Performance of the Underlying – Strike_{best}) [x FX (initial) / FX (final)] [x FX (final) / FX (initial)])

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

Product Type 3: FX Upside Garant Securities

Product Type 4: FX Downside Garant Securities

[In the case of FX Upside Garant Securities and FX Downside Garant Securities, the following applies:

§ 1

Definitions

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and 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 § 1 of the Product and Underlying Data.]

"Base Currency" means the Base Currency as specified in § 2 of the Product and Underlying Data.

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which FX is published by the Fixing Sponsor.

"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),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the Underlying or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [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**")] [Euroclear France SA ("**Euroclear France**")] [*Insert other Clearing System(s)*].

"Conversion Event" means each of the following events:

- [(a)] no suitable New Fixing Sponsor (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate (as specified in § 9 (2) of the Special Conditions) is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB); or
- (b)] due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on the Underlying) the reliable determination of FX is impossible or impracticable.

[[•] change in law.]]

"**Counter Currency**" means the Counter Currency as specified in § 2 of the Product and Underlying Data.

"**Exercise Date**" means the [last] Final Observation Date.

"**First Day of the [Best][Worst]-out Period**" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"**First Trade Date**" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"**Fixing Sponsor**" means the Fixing Sponsor, as specified in § 2 of the Product and Underlying Data.

"**Floor Level**" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

"**FX**" means the [official] fixing of the FX Exchange Rate as published [[*Insert*] [p.m.] [a.m.] [*Insert*] local time] by the Fixing Sponsor on the FX Screen Page (or any successor page).

"**FX Screen Page**" means the FX Screen Page as specified in § 2 of the Product and Underlying Data.

"**FX Exchange Rate**" means the exchange rate for the conversion of the Base Currency into the Counter Currency.

"**Issue Date**" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"**Issuing Agent**" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"**Last Day of the [Best][Worst]-in Period**" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

"**Market Disruption Event**" means each of the following events:

- (a) the failure of the Fixing Sponsor to publish the FX;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of FX (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

to the extent that the above-mentioned events are material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"**Maturity Date**" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

[In the case of FX Upside Garant Cap Securities and FX Downside Garant Cap Securities, the following applies:

"**Maximum Amount**" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"**Minimum Amount**" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"**Nominal Amount**" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"**Observation Date**" means each of the following Observation Dates:

"**Initial Observation Date**" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date, the immediately following Banking Day, which is a Calculation Date shall be the [respective] Initial Observation Date.

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date, the immediately following Banking Day, which is a Calculation Date shall be the [respective] Final Observation Date. [The Maturity Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date will be postponed accordingly.] Interest shall not be payable due to such postponement.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Performance of the Underlying" means the performance of the Underlying using the following formula:

[In the case of FX Upside Garant Securities (Vanilla), the following applies:]

$(R \text{ (final)} - \text{Strike}) / R \text{ (final)}$

[In the case of FX Upside Garant Securities (Self Quanto), the following applies:]

$(R \text{ (final)} - \text{Strike}) / \text{Strike}$

[In the case of FX Downside Garant Securities (Vanilla), the following applies:]

$(\text{Strike} - R \text{ (final)}) / R \text{ (final)}$

[In the case of FX Downside Garant Securities (Self Quanto), the following applies:]

$(\text{Strike} - R \text{ (final)}) / \text{Strike}$

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities where R (initial) has already been specified, the following applies]

"R (initial)" means FX as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:]

"R (initial)" means FX on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:]

"R (initial)" means the equally weighted average (arithmetic average) of FX published on the Initial Observation Dates.]

[In the case of Securities with [Best] [Worst]-in observation, the following applies:]

"R (initial)" means the [highest] [lowest] FX on [each of the Initial Observation Dates] [each [Insert relevant day(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Securities with final Reference Price observation, the following applies:]

"R (final)" means FX on the Final Observation Dates.]

[In the case of Securities with final average observation, the following applies:]

"R (final)" means the equally weighted average (arithmetic average) of FX published on the Final Observation Dates.]

[In the case of Securities with [Best] [Worst]-out observation, the following applies:]

"R (final)" means the [highest] [lowest] FX on [each of the Final Observation Dates] [each [Insert relevant day(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including)].]

"Redemption Amount" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"Security Holder" means the holder of a Security.

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Strike**" means [the Strike as specified in § 1 of the Product and Underlying Data] [R (initial) x Strike Level].

"**Strike Level**" means the Strike Level as specified in § 1 of the Product and Underlying Data.]

"**Terms and Conditions**" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means FX Exchange Rate.

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

§ 2

Interest

Interest: The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 3: FX Upside Garant Securities

Product Type 4: FX Downside Garant Securities

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x Performance of the Underlying)

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

Product Type 5: Garant Cliquet Securities

Product Type 6: Garant Cash Collect Securities

Product Type 7: Garant Performance Cliquet Securities

Product Type 8: Garant Digital Cash Collect Securities

Product Type 9: Garant Performance Cash Collect Securities

Product Type 10: Garant Digital Coupon Securities

Product Type 11: Garant Digital Cliquet Securities

Product Type 12: Performance Telescope Securities

Product Type 13: Garant Telescope Securities

Product Type 14: Garant Coupon Geoscope Securities

[In the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Performance Cliquet Securities, Garant Digital Cash Collect Securities, Garant Performance Cash Collect Securities, Garant Digital Coupon Securities, Performance Telescope Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities, Garant Digital Cliquet Securities the following applies:

§ 1

Definitions

"**Additional Amount (k)**" means the Additional Amount (k) as calculated or determined by the Calculation Agent pursuant to § 2 of the Special Conditions.

"**Additional Amount Payment Date (k)**" means the Additional Amount Payment Date (k) as specified in § 1 of the Product and Underlying Data.

"**Adjustment Event**" means [each of the following events]:

[In the case of a share or a depository receipt as Underlying, the following applies:

- (a) each measure taken by the company that has issued the Underlying or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital – affect the Underlying not only immaterially (in particular capital increase against cash contribution, issuance of securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying, or
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of an index as Underlying, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the Underlying, that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)
- (b) the calculation or publication of the Underlying is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Underlying as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall be deemed not to be responsible for a termination of the license to use the Underlying due to an economically unreasonable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a commodity as Underlying, the following applies:

[(a)] any changes in the Relevant Trading Conditions of the Underlying that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) [;

(b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying other than ETF, the following applies:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which in the reasonable discretion (§ 315 BGB) of the Calculation Agent affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares;
- (b) requests for the issue, redemption or transfer of Fund Shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or a provider of fund services appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of

- the accreditation or registration of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) that is material or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, purchase, redemption, sale or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares outstanding;
 - (l) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
 - (m) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash (unless such distribution in kind is at the option of a shareholder in the Fund or it is specified in the Fund Documents as the normal practice) or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (o) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
- (r) the Issuer loses the right to use the Fund Share as the Underlying for the Securities;
- (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (t) no notification is given of the basis of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on the NAV of the Fund or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) the NAV is no longer published in the Underlying Currency,
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")][;][.]
- [(bb) a Hedging Disruption occurs] [;][.]
- [(bb)][(cc)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.][the historic volatility of the Underlying exceeds the historic volatility of

the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than *[Insert]%*.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding *[Insert number of days]* Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is *[Insert number of days]*;

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding *[Insert number of days]* Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent *[Insert number of days]* Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[In the case of ETF as Underlying, the following applies:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which in the reasonable discretion (§ 315 BGB) of the Calculation Agent affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares;

- (b) requests for the issue or purchase, redemption or sale or transfer of Fund Shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or a provider of fund services appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) the quotation of the Underlying at the Relevant Exchange is finally ceased and in the reasonable discretion (§ 315 BGB) of the Calculation Agent no Substitute Relevant Exchange could be determined;
- (g) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (i) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (j) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) that is material or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (l) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (m) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares outstanding;
- (n) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
- (o) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (p) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (q) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- (s) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
- (t) the Issuer loses the right to use the Fund Share as the Underlying for the Securities;
- (u) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) no notification is given of the basis of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (w) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (y) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (aa) any other event that could have a noticeable adverse effect on the NAV of the Fund or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (bb) the NAV is no longer published in the Underlying Currency,
- (cc) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")][;].]
- [(dd) a Hedging Disruption occurs][;].]

[(dd)][(ee)] [the historic volatility of the Underlying exceeds a volatility level of *[Insert]%*][the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than *[Insert]%*]. The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding *[Insert number of days]* Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\left(\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is *[Insert number of days]*;

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent *[Insert number of days]* Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of *[Insert]%*].

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark

over the immediately preceding *[Insert number of days]* Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent *[Insert number of days]* Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]]

[In the case of an Index as Underlying referencing funds, the following applies:

each Index Adjustment Event and Fund Adjustment Event.]

[In the case of fund as Underlying or of an index as Underlying referencing funds, the following applies:

"Administrator" means [the Administrator [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company appoints another person, company or institution as the Administrator of the Fund, each and every reference to the Administrator in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of providing administrative services to the Fund.]]

"Aggregate Nominal Amount" means the Aggregate Nominal Amount of the Series as specified in § 1 of the Product and Underlying Data.]

[In the case of fund as Underlying, the following applies:

"Auditor" means [the Auditor [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Auditor of the Fund, each and every reference to the Auditor in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor]]in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report].]

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("TARGET2") are open for business][is open for business and 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 § 1 of the Product and Underlying Data.]

[In the case of Garant Digital Cash Collect Securities, the following applies:

"Barrier" means [the Barrier as specified in § 1 of the Product and Underlying Data] [Barrier Level x R (initial).]

"Barrier Event" means that R (final) is less than the Barrier.]

"Barrier Level" means the Barrier Level as specified in § 1 of the Product and Underlying Data.]]

"Benchmark" means the index as specified in § 1 of the Product and Underlying Data.

"Benchmark Calculation Date" means each day on which the Benchmark Reference Price is calculated and published by the Benchmark Sponsor.

"Benchmark Reference Price" means the closing price of the Benchmark.

"Benchmark Sponsor" means the Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Benchmark, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant index concept or calculation of the Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Benchmark;
- (b) the calculation or publication of the Benchmark is finally discontinued, or replaced by another index (the "**Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Benchmark as basis for any calculation or specifications described in these Terms and Conditions;
- (d) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Benchmark.

In cases of a Benchmark Replacement Event the Calculation Agent is entitled to determine in its reasonable discretion (§ 315 BGB), which index should be used in the future as a Benchmark (the "**Replacement Benchmark**"). The Replacement Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Benchmark.

If the Benchmark is no longer determined by the Benchmark Sponsor but rather by another person, company or institution (the "**New Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Benchmark as determined by the New Benchmark Sponsor. In this case, any reference to the replaced Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

[In the case of Securities with Best-in observation, the following applies:

"Best-in Period" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Best-in Period (inclusive)].

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price is [normally] published by the [Fund or the Management Company][Relevant Exchange][Index Sponsor or the Index Calculation Agent, as the case may be][Reference Market].

"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 but not limited to the administrative practice of the tax or financial supervisory authorities),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the Underlying or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System" means the principal domestic clearance system customarily used for settling trades with respect to the [Underlying] [securities that form the basis of the Underlying]; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [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**") [Euroclear France SA ("**Euroclear France**") [Insert other Clearing System(s)].

"Commodity Conversion Event" means each of the following:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Conversion Event" means [Share Conversion Event][,] [Index Conversion Event][,] [Commodity Conversion Event][,] [Fund Conversion Event][,] [Change in Law [and/or a Hedging Disruption and/or Increased Cost of Hedging].]

"D (k)" means the denominator attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.]

"Custodian Bank" means [the Custodian Bank [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Custodian Bank of the Fund, each and every reference to the Custodian Bank in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank] [, in relation to a Fund, a person, company or institution acting as custodian of the Fund's assets according to the Fund Documents].]

"Determining Futures Exchange" means the futures exchange, on which derivatives of the Underlying [or – if derivatives on the Underlying are not traded – its components] (the **"Derivatives"**) are most liquidly traded; the relevant futures exchange shall be traded; the relevant futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Determining Futures Exchange, such as a final discontinuation of derivatives' quotation linked to the Underlying [or to its components] at the Determining Futures Exchange or a considerably restricted number or liquidity, it shall be substituted as the determining futures exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the "Substitute Futures Exchange"); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). In this case, any reference to the Determining Futures Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange.]

[In the case of ETF as Underlying the following applies:

"Exchange Traded Fund" means a Fund specified as Exchange Traded Fund in § 2 of the Product and Underlying Data.]

"Exercise Date" means the [last] Final Observation Date.]

[In the case of Garant Performance Cliquet Securities and Garant [Performance][Digital] Cash Collect Securities, the following applies:

"Final Participation Factor" means the Final Participation Factor as specified in § 1 of the Product and Underlying Data.]

[In the case of Garant [Performance][Digital] Cash Collect Securities and [Garant][Performance] Telescope Securities, the following applies:

"Final Strike Level" means the Final Strike Level as specified in § 1 of the Product and Underlying Data.]

"First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

[In the case of Garant Performance Cliquet Securities, Garant [Performance][Digital] Cash Collect Securities and [Garant][Performance] Telescope Securities, the following applies:

"Floor Level" means the Floor Level, as specified in § 1 of the Product and Underlying Data.]

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"Fund" means, in relation to a Fund Share, the investment fund issuing that Fund Share or the Fund in whose assets the Fund Share represents a proportional interest.

[In the case of an index as Underlying, referencing funds, the following applies:

"Fund Adjustment Event" means:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which in the reasonable discretion (§ 315 BGB) of the Calculation Agent affect the ability of the Issuer and/or the Hedging Party to comply with the terms of its hedging transactions, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the respective method of calculating the net asset value or (v) the timetable for the subscription, issue, redemption and/or transfer of the Fund Shares;
- (b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;

- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Fund and where included in the Underlying); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of a corresponding authorisation of the Fund or of the Management Company by the relevant authority; or (iv) the initiation of investigatory proceedings, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- (f) a breach of the investment objectives or the investment restrictions of the Fund (as defined in the Fund Documents) or a breach of statutory or regulatory requirements by the Fund or the Management Company;
- (g) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer or the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer or the Hedging Party with respect to its hedging transactions to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) an increase in the proportion of the volume held by the Issuer and the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into hedging transactions beyond [*Insert relevant percentage*]% of the outstanding Fund Shares in the Fund;
- (i) the Issuer or the Hedging Party is required to consolidate the Fund as a result of accounting or other regulations;
- (j) the sale or redemption of Fund Shares for reasons affecting the Issuer or the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (k) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of so-called side pockets for segregated assets of the Fund; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (l) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer, the Hedging Party or a Security Holder in the reasonable discretion (§ 315 BGB) of the Calculation Agent;
- (m) no notification is given of the bases of taxation for the Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or

the Management Company has announced that no notification of the bases of taxation will be given in accordance with § 5 (1) InvStG in the future;

- (n) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Index Calculation Agent, the Issuer or the Hedging Party in relation to the Fund in a significant respect or terminates that agreement;
- (o) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner;
- (p) the Fund or the Management Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- (q) any other event that could have a noticeable adverse effect on the net asset value of the Fund or on the ability of the Hedging Party to hedge its obligations under the hedging transactions on more than a temporary basis;
- (r) starting 31 December 2018 the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] (each a "**Fund Replacement Event**")[:];[.][
- (s) a Hedging Disruption occurs.]

The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of a fund as Underlying, the following applies:

"Fund Conversion Event" means any of the following events:

- (a) no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- [(b)] no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);[
- [(c)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];[
- [(d)] an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a "**Fund Replacement Event**"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].]

[In the case of an index as Underlying referencing funds, the following applies:

A "**Fund Conversion Event**" exists if an adjustment pursuant to § 8 (2) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders.]

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"Fund Documents" means, in relation to [the Fund][a Fund], in each case, if available and in the respective valid version: the annual report, the half-yearly report, [the interim reports,] the sales prospectus, the terms and conditions of the Fund [, if applicable, the articles of association], the key investor information document and all other documents of the [Reference]Fund in which the terms and conditions of the [Reference]Fund and of the Fund Shares are specified.]

[In the case of a fund as Underlying, the following applies:

"Fund Management" means the persons responsible for the portfolio and/or risk management of the Fund.]

[In the case of a fund as Underlying or an index as Underlying, referencing funds, the following applies:

"Fund Services Provider" means, if available, [in relation to a Fund] the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor [of the Fund].

"Fund Share" means [a unit or share of the Fund and of the class set out in § 1 of the Product and Underlying Data][an Index Component which is a share in a Fund].]

[In the case of Garant Coupon Geoscope Securities the following applies:

"Geometric Average Performance of the Underlying (k)" means the value calculated pursuant the following formula:

(Performance of the Underlying (k))^{1/D(k)}]

"Hedging Disruption" means that the Issuer is not able to

(a) 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

(b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date; whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).

[In the case of an index as Underlying referencing funds, the following applies:

"Hedging Party" means the Hedging Party as specified in § 1 of the Product and Underlying Data. The Calculation Agent shall be entitled to specify another person or company as the Hedging Party (the **"Successor Hedging Party"**) at any time. The Calculation Agent shall give notice of the specification of a Successor Hedging Party pursuant to § 6 of the General Conditions. In this case each and every reference to the Hedging Party in these Terms and Conditions, depending on the context, shall be deemed to refer to the Successor Hedging Party.]

"Income Payment Event" means that [R (k), as determined on the respective Observation Date (k), is greater than the Strike][R (k) , as determined on the respective Observation Date (k), is greater than the respective R (k-1)][the Geometric Average Performance of the Underlying (k) on the respective Observation Date (k) is greater than the Strike Level].]

"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 First Trade Date in order to

(a) 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

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB). Cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

[In the case of an index as Underlying referencing funds, the following applies:

"Index Adjustment Event" means any of the following events:

(a) changes in the relevant Index Concept or the calculation of the Underlying that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original

calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (b) the calculation or publication of the Underlying is permanently discontinued or it is replaced by another index (the "**Index Replacement Event**");
- (c) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Reference Price is no longer published in the Underlying Currency.]

"Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.

"Index Component" means, in relation to the Underlying, an asset or a reference value which is incorporated in the calculation of the Underlying at the relevant time.

"Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption][and/or Increased Costs of Hedging] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;]
- (d) no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (e) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"Investment Adviser" means [the Investment Adviser [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Investment Adviser of the Fund, each and every reference to the Investment Adviser in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser][, in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an adviser with respect to the investment activities of the Fund].]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

[In the case of a fund as Underlying or an index as Underlying referencing a funds, the following applies:

"Management Company" means [the Management Company [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund specifies another person, company or institution as the Management Company of the Fund, each and every reference to the Management Company in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company][, in relation to a Fund, a person, company or institution that manages the Fund according to the Fund Documents].]

"Market Disruption Event" means each of the following events:

[In the case of a share or a depository receipt as Underlying, the following applies:]

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an Index as Underlying, the following applies:]

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities that form the basis of the Underlying][components of the Underlying] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying are listed or traded;
- (b) in relation to [individual securities which form the basis of the Underlying][components of the Underlying], the suspension or restriction of trading on the exchanges or on the markets on which such [securities][components] are traded or on the respective futures exchange or the markets on which derivatives of such [securities][components] are traded;
- (c) in relation to individual Derivatives of the Underlying, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the Underlying as a result of a decision by the Index Sponsor or the Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price, which is relevant for the Securities, and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange.]

[In the case of a commodity as Underlying, the following applies:]

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange

to the extent that such Market Disruption Event is material; whether this is the case shall be determined in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the Reference Market or, as the case may be, the Determining Futures Exchange shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously

announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.]

[In the case of a fund as Underlying other than ETF the following applies:

- (a) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company,
- (b) the closure, conversion or insolvency of the Underlying or other circumstances which make it impossible to determine the NAV, or
- (c) it is not possible to trade Fund Shares at the NAV. This also covers cases in which the Fund, the Management Company or the Fund Services Provider on their behalf decides to suspend the redemption or issue of Fund Shares for a specified period or to restrict the redemption or issue of Fund Shares to a specified portion of the Fund volume or to levy additional fees, or
- (d) the Fund or the Management Company redeems the Fund Shares in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

[In the case of ETF as Underlying the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;
- [(d) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company;]

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material [(with exception of (d) for which the time at which the NAV is usually published should be the relevant point in time)]; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying referencing funds, the following applies:

with respect to the Underlying:

- (a) the suspension or restriction of trading generally on the exchanges or markets on which the Index Components are traded;
- (b) in relation to an Index Component, the suspension or restriction of trading on the exchanges or markets on which that Index Component is traded or on the respective futures exchanges or markets on which derivatives linked to that Index Component are traded;

- (c) in relation to individual derivatives linked to the Underlying, the suspension or restriction of trading on the futures exchanges or markets on which such derivatives are traded;
- (d) the failure to calculate or the cessation or non-publication of the calculation of the Underlying as the result of a decision by the Index Sponsor or the Index Calculation Agent;

with respect to a Fund:

- (e) in relation to a Fund, the failure to calculate or the non-publication of the calculation of the respective NAV as the result of a decision by the respective Management Company or a Fund Services Provider on its behalf,
- (f) in relation to a Fund, the closure, conversion or insolvency of the Fund or other circumstances which make it impossible to determine the NAV, or
- (g) in relation to a Fund, it is not possible to trade Fund Shares at the NAV, including the utilisation of provisions which suspend the redemption or issuance of Fund Shares for a particular period or restrict them to a particular portion of the volume of the Fund or make them subject to the imposition of additional charges, or which permit particular assets to be segregated or payment to be made in kind instead of in cash or in the case in which payment is not made in full on the redemption of Fund Shares, and
- (h) in relation to a Fund, comparable provisions which affect the ability of the Issuer to hedge its obligations under the Securities,
- (i) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"Maturity Date" means the Maturity Date, as specified in § 1 of the Product and Underlying Data.

["Maximum Additional Amount (k)"] means the Maximum Additional Amount (k) as specified in § 1 of the Product and Underlying Data].

[In the case of Garant Cap Performance Cliquet, Garant Cap Performance Cash Collect Securities and [Garant][Performance] Telescope Securities the following applies:

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

["Minimum Additional Amount (k)"] means the Minimum Additional Amount (k) as specified in § 1 of the Product and Underlying Data].

["NAV"] means the official net asset value (the **"Net Asset Value"**) for a Fund Share as published by the Fund or the Management Company or by a third person on their behalf and at which it is actually possible to redeem Fund Shares.]

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date, the immediately following Day, which is a Calculation Date shall be the [respective] Initial Observation Date.

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product

and Underlying Data. If an Observation Date (k) is not a Calculation Date the immediately following Day, which is a Calculation Date shall be the respective Observation Date (k). The respective Additional Amount Payment Date (k) shall be postponed accordingly. No interest shall become due because of such postponement.

[In the case of Securities with a final reference price observation, the following applies:

"Final Observation Date" means the Final Observation Date as specified in § 1 of the Product and Underlying Data. If the Final Observation Date is not a Calculation Date, then the immediately following Banking Day that is a Calculation Date shall be the Final Observation Date. The Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

[In the case of Securities with a final average observation, the following applies:

"Final Observation Date" means each of the Final Observation Dates specified in § 1 of the Product and Underlying Data. If the Final Observation Date is not a Calculation Date, then the immediately following Banking Day that is a Calculation Date shall be the corresponding Final Observation Date. If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

"Final Observation Date" means the [last] Observation Date (k). If the Final Observation Date is not a Calculation Date, then the immediately following Banking Day that is a Calculation Date shall be the corresponding Final Observation Date. If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

"Final Participation Factor" means the Final Participation Factor as specified in § 1 of the Product and Underlying Data.]

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Performance of the Underlying" means the performance of the Underlying using the following formula:

[In the case of Garant Performance Cliquet Securities, the following applies:

(R (final) / R (initial)) - Strike]

[In the case of Garant [Performance][Digital] Cash Collect Securities and Performance Telescope Securities, the following applies:

(R (final) / R (initial)) - Final Strike Level]

"Performance of the Underlying (k)" means the Performance of the Underlying (k) using the following formula:

[In the case of Garant [Performance] Cliquet Securities, the following applies:

(R (k) - R (k-1)) / R (k-1)]

[In the case of Garant [Performance][Digital] Cash Collect Securities, the following applies:

(R (k) - Strike) / R (initial)]

[In the case of [Garant][Performance] Telescope Securities, the following applies:

_____ 1/D (k) x (R (k) / R (initial) – Strike Level)]

[In the case of Garant Coupon Geoscope Securities the following applies:

"Performance of the Underlying (k)" means the performance of the Underlying (k) using the following formula:

R (k) / R (initial)]

[In the case of fund as Underlying or an index as Underlying referencing a fund, the following applies:

"Portfolio Manager" means [the Portfolio Manager [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Portfolio Manager of the Fund, each and every reference to the Portfolio Manager in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager][, in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an portfolio manager with respect to the investment activities of the Fund].]

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities where R (initial) has already been specified, the following applies:

"R (initial)" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

"R (initial)" means the Reference Price on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

"R (initial)" means the equally weighted average (arithmetic average) of the Reference Prices specified on the Initial Observation Dates.]

[In the case of Securities with [Best] [Worst]-in observation, the following applies:

"R (initial)" means the [highest] [lowest] Reference Price on [each of the Initial Observation Dates] [each [Insert relevant day(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Garant Performance Cliquet, Garant [Performance][Digital] Cash Collect Securities and [Garant][Performance] Telescope Securities with final Reference Price observation, the following applies:

"R (final)" means the Reference Price on the Final Observation Date.]

[In the case of Garant Performance Cliquet, Garant [Performance][Digital] Cash Collect Securities and [Garant][Performance] Telescope Securities with final average observation, the following applies:

"R (final)" means the equally weighted average (arithmetic average) of the Reference Prices on the Final Observation Dates.]

[In the case of Garant Performance Cliquet, Garant [Performance][Digital] Cash Collect Securities and [Garant][Performance] Telescope Securities with [Best] [Worst]-out observation, the following applies:

"R (final)" means the [highest] [lowest] Reference Price on [each Final Observation Dates] [each [Insert Relevant Day(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including)].]

"R (k)" means the Reference Price on the relevant Observation Date (k).

[In the case of Garant [Performance][Digital] Cliquet Securities, the following applies:

"R (k-1)" means, for each Observation Date (k), the Reference Price on the Observation Date preceding that Observation Date (k). For R (k) (where k = 1), R (k-1) is equal to R (initial).]

"Redemption Amount" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"Reference Market" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"Reference Price" means the Reference Price of the Underlying as specified in § 1 of the Product and Underlying Data.

"Relevant Exchange" means the [Relevant Exchange as specified in § 2 of the Product and Underlying Data][exchange on which the components of the Underlying are most liquidly traded; such exchanges shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such components' liquidity].

In the case of a material change in the market conditions at the Relevant Exchange, such as a final discontinuation of the quotation [of the components] of the Underlying at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the Relevant Exchange by another stock exchange that offers satisfactorily liquid trading in the Underlying(the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Relevant Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange.]

"Security Holder" means the holder of a Security.

"Settlement Cycle" means the [period of Clearance System Business Days following a transaction on the Relevant Exchange [with respect to the Underlying][in the securities that form the basis of the Underlying] during which period settlement will customarily take place according to the rules of such Relevant Exchange][number of Clearance System Business Days relating to a Security that forms the basis of the Underlying, within which settlement will customarily occur according to the rules of that Clearance System].]

"Share Conversion Event" means each of the following events:

- (a) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the quotation of the Underlying at the Relevant Exchange no longer occurs in the Underlying Currency;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Specified Currency" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

[In the case of Garant [Performance][Digital] Cash Collect Securities, Garant Digital Coupon Securities, Garant [Performance] Cliquet Securities, Garant Coupon Geoscope Securities and [Garant][Performance] Telescope Securities, the following applies:

"Strike" means [the Strike as specified in § 1 of the Product and Underlying Data] [Strike Level x R (initial)].]

[In the case of Garant Digital Cliquet Securities, the following applies:

"Strike (k-1)" means Strike Level x R (k-1).]

"Strike Level" means the Strike Level as specified as specified in § 1 of the Product and Underlying Data.]

"Terms and Conditions" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Underlying" means the Underlying as specified in § 1 of the Product and Underlying Data.

"Underlying Currency" means the Underlying Currency as specified in § 2 of the Product and Underlying Data.

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with Worst-in observation, the following applies:

"**Worst-in Period**" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Worst-in Period (inclusive).]

§ 2

Interest, Additional Amount

(1) *Interest*: The Securities do not bear interest.

(2) *Additional Amount (k)*:

[Product Type 5: Garant Cliquet Securities

Product Type 7: Garant Performance Cliquet Securities

If R (k) is greater than R (k-1), the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) is calculated according to the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k)

If R (k) is equal to or less than R (k-1), no Additional Amount (k) will be paid.]

[On the respective Additional Amount Payment Date (k) the Additional Amount (k) will be paid pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) is calculated according to the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k).

However, the Additional Amount (k) is not less than the Minimum Additional Amount (k).]

[Product Type 6: Garant Cash Collect Securities

Product Type 9: Garant Performance Cash Collect Securities

[If R (k) is greater than the Strike, the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) is calculated according to the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k)

If R (k) is equal to or less than the Strike, no Additional Amount (k) will be paid.]

[On the respective Additional Amount Payment Date (k) the Additional Amount (k) will be paid pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) is calculated according to the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k)

However, the Additional Amount (k) is not less than the Minimum Additional Amount (k).]

[In the case of Securities with a Maximum Additional Amount (k), the following applies:

However, the Additional Amount (k) is not greater than the Maximum Additional Amount (k).]

[Product Type 8: Garant Digital Cash Collect Securities

Product Type 10: Garant Digital Coupon Securities

[If R (k) is greater than or equal to the Strike, the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (the "**Additional Amount (k)**") pursuant to the provisions of § 6 of the Special Conditions. The respective Additional Amount (k) for each Additional Amount Payment Date (k) is specified in § 1 of the Product and Underlying Data.]

[If R (k) is less than the Strike, no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).]

Product Type 11: Garant Digital Cliquet Securities

[If R (k) is greater than or equal to the Strike(k-1), the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The respective Additional Amount (k) for each Additional Amount Payment Date (k) is specified in § 1 of the Product and Underlying Data.

If R (k) is less than Strike(k-1), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).]

[Product Type 12: Performance Telescope Securities

Product Type 13: Garant Telescope Securities

[In the case of Securities with a conditional Additional Amount, the following applies:

_____ [If an Income Payment Event with respect to Observation Date (k) has occurred, the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k).

[The Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

[In the case of Securities with an unconditional Additional Amount, the following applies:

The Additional Amount (k) will be paid on the Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x Performance of the Underlying (k).

[However, the Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

However, the Additional Amount (k) is not less than the relevant Minimum Additional Amount (k).]

Product Type 14: Garant Coupon Geoscope Securities

[In the case of Securities with a conditional Additional Amount, the following applies:

- (2) *Additional Amount:* If an Income Payment Event with respect to Observation Date (k) has occurred, the Additional Amount (k) will be paid on the respective Additional Amount

Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x (Geometric Average Performance of the Underlying (k) – Strike Level).

[The Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

[In the case of Securities with an unconditional Additional Amount, the following applies:

- (2) *Additional Amount:* The Additional Amount (k) will be paid on the Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x Participation Factor x (Geometric Average Performance of the Underlying (k) – Strike Level).

[However, the Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

However, the Additional Amount (k) is not less than the relevant Minimum Additional Amount (k).]

§ 3

Redemption

Redemption:

The Securities shall be redeemed [upon automatic exercise on the Exercise Date] by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

[The Securities shall be deemed automatically exercised on the Exercise Date.]

§ 4

Redemption Amount

[Product Type 5: Garant Cliquet Securities

Product Type 6: Garant Cash Collect Securities

Product Type 10: Garant Digital Coupon Securities

Product Type 11: Garant Digital Cliquet Securities

Product Type 13: Garant Telescope Securities

Product Type 14: Garant Coupon Geoscope Securities

Redemption Amount: The Redemption Amount corresponds to the Minimum Amount.]

[Product Type 7: Garant Performance Cliquet Securities

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Final Participation Factor x Performance of the Underlying)

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

[Product Type 8: Garant Digital Cash Collect Securities

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Nominal Amount.
- If a Barrier Event has occurred, the Redemption Amount is calculated according to the following formula:

Redemption Amount = Nominal Amount x (Floor Level + Final Participation Factor x Performance of the Underlying).

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

[Product Type 9: Garant Performance Cash Collect Securities

Product Type 12: Performance Telescope Securities:

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Final Participation Factor x Performance of the Underlying)

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

Product Type 15: Twin-Win Garant Securities

Product Type 16: Win-Win Garant Securities

Product Type 17: Icarus Garant Securities

[In the case of Twin-Win Garant, Win-Win Garant and Icarus Garant Securities the following applies:

§ 1

Definitions

["**Additional Amount (I)**"] means the Additional Amount (I) as specified in § 1 of the Product and Underlying Data.]

["**Additional Amount Payment Date (I)**"] means the Additional Amount Payment Date (I) as specified in § 1 of the Product and Underlying Data.]

"**Adjustment Event**" means [each of the following events]:

[In the case of a share or a depository receipt as Underlying, the following applies:

- (a) each measure taken by the company that has issued the Underlying or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital –affect the Underlying not only immaterially (in particular capital increase against cash contribution, issuance of securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying, or
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable (§ 315 et seq. BGB).]

[In the case of an index as Underlying, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the Underlying, that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the calculation or publication of the Underlying is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Underlying as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall be deemed not to be responsible for a termination of the license to use the Underlying due to an economically unreasonable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a commodity as Underlying, the following applies:

[(a)] any changes in the Relevant Trading Conditions of the Underlying that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)[;

(b) a Hedging Disruption occurs].

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the **"TARGET2"**) is open for business] [is open for business and 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 § 1 of the Product and Underlying Data.]]

[In the case of Twin-Win Garant und Icarus Garant Securities, the following applies:

"Barrier" means [the Barrier as specified in § 1 of the Product and Underlying Data] [Barrier Level x R (initial)].]

[In the case of Twin-Win Garant and Icarus Garant Securities with continuous Barrier observation, the following applies:

"Barrier Event" means that any price of the Underlying as published by the [Relevant Exchange] [Index Sponsor or Index Calculation Agent] [Reference Market] with continuous observation during the Barrier Observation Period is equal to [or less] [or greater] than the Barrier.]

[In the case of Twin-Win Garant and Icarus Garant Securities with date-related Barrier observation, the following applies:

"Barrier Event" means that any Reference Price on the respective Barrier Observation Date [is less] [is greater] than the Barrier.]

"Barrier Level" means the Barrier Level as specified in § 1 of the Product and Underlying Data.]

[In the case of Twin-Win Garant and Icarus Garant Securities with continuous Barrier observation, the following applies:

"Barrier Observation Period" means each Calculation Date from the First Day of the Barrier Observation Period (including) to the Last Day of the Barrier Observation Period (including).]

[In the case of Icarus Garant Securities, the following applies:

"Bonus Amount" means the Bonus Amount as specified in § 1 of the Product and Underlying Data.]

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price is published by the [Relevant Exchange][Index Sponsor or the Index Calculation Agent, as the case may be][Reference Market].

"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),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the Underlying or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System" means the principal domestic clearance system customarily used for settling trades with respect to the [Underlying] [securities that form the basis of the Underlying]; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [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**") [Euroclear France SA ("**Euroclear France**") [Insert other Clearing System(s)].

"Commodity Conversion Event" means each of the following:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;]
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Conversion Event" means [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event].]

"Determining Futures Exchange" means the futures exchange, on which derivatives of the Underlying [or – if derivatives on the Underlying are not traded – its components] (the "**Derivatives**") are mostly liquidly traded; such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Determining Futures Exchange, such as a final discontinuation of derivatives' quotation linked to the Underlying [or to its components] at the Determining Futures Exchange or a considerably restricted number or liquidity, it shall be substituted as the determining futures exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the "**Substitute Futures Exchange**"); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). In this case, any reference to the Determining Futures Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange.].

"First Day of the Barrier Observation Period" means the First Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.].]

"Exercise Date" means the [last] Final Observation Date.

["First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

["Hedging Disruption" means that the Issuer is not able to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date; whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

["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 First Trade Date in order to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB). Cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

["Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.

["Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;]
- (d) no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (e) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

["Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

["Last Day of the Barrier Observation Period" means the Last Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

"Market Disruption Event" means each of the following events:

[In the case of a share or a depository receipt as Underlying, the following applies:]

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying, the following applies:]

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities that form the basis of the Underlying][components of the Underlying] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying are listed or traded;
- (b) in relation to [individual securities which form the basis of the Underlying][components of the Underlying], the suspension or restriction of trading on the exchanges or on the markets on which such [securities][components] are traded or on the respective futures exchange or the markets on which derivatives of such [securities][components] are traded;
- (c) in relation to individual Derivatives of the Underlying, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the Underlying as a result of a decision by the Index Sponsor or the Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price, which is relevant for the Securities, and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange.]

[In the case of a commodity as Underlying, the following applies:]

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Reference Market or, as the case may be, the Determining Futures Exchange shall not

constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.]

"Maturity Date" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

[In the case of Twin-Win Cap Garant and Win-Win Cap Garant Securities, the following applies:

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date the immediately following Day, which is a Calculation Date shall be the [respective] Initial Observation Date.

[In the case of Twin-Win Garant and Icarus Garant Securities with date-related Barrier observation, the following applies:

"Barrier Observation Date" means each of the Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Barrier Observation Date is not a Calculation Date, the immediately following Day, which is a Calculation Date shall be the respective Barrier Observation Date.]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date, the immediately following Day which is a Calculation Date shall be the [respective] Final Observation Date. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Performance of the Underlying" means the quotient of R (final) as the numerator and R (initial) as the denominator.

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities where R (initial) has already been specified, the following applies

"R (initial)" means R (initial), as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

"R (initial)" means the Reference Price on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

"R (initial)" means the equally weighted average (arithmetic average) of the Reference Prices specified on the Initial Observation Dates.]

[In the case of Securities with [Best] [Worst]-in observation, the following applies:

"R (initial)" means the [highest] [lowest] Reference Price on [each of the Initial Observation Dates] [each [Insert relevant day(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Securities with final Reference Price observation, the following applies:]

"**R (final)**" means the Reference Price on the Final Observation Date.]

[In the case of Securities with final average observation, the following applies:]

"**R (final)**" means the equally weighted average (arithmetic average) of the Reference Prices on the Final Observation Dates.]

[In the case of Securities with [Best] [Worst]-out observation, the following applies:]

"**R (final)**" means the [highest] [lowest] Reference Price on [each Final Observation Dates] [each [Insert Relevant Day(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including)].]

"**Redemption Amount**" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"**Reference Market**" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"**Reference Price**" means the Reference Price of the Underlying as specified in § 1 of the Product and Underlying Data.

"**Relevant Exchange**" means the [Relevant Exchange as specified in § 2 of the Product and Underlying Data][exchange on which the components of the Underlying are most liquidly traded; such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].

In the case of a material change in the market conditions at the Relevant Exchange, such as a final discontinuation of the quotation [of the components] of the Underlying at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the Relevant Exchange by another exchange that offers satisfactorily liquid trading in the Underlying (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Relevant Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange.]

"**Security Holder**" means the holder of a Security.

"**Settlement Cycle**" means the period of Clearance System Business Days following a transaction on the Relevant Exchange [with respect to the Underlying][in the securities that form the basis of the Underlying] during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

"**Share Conversion Event**" means each of the following events:

- (a) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the quotation of the Underlying at the Relevant Exchange no longer occurs in the Underlying Currency;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Terms and Conditions**" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means the Underlying as specified in § 1 of the Product and Underlying Data.

"**Underlying Currency**" means the Underlying Currency as specified in § 2 of the Product and Underlying Data.

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

§ 2

Interest[, Additional Amount]

[(1)] *Interest*: The Securities do not bear interest.

[In the case of Securities with an unconditional Additional Amount, the following applies:

(2) *Additional Amount*: The respective Additional Amount (I) will be paid on the Additional Amount Payment Date (I) pursuant to the provisions of § 6 of the Special Conditions.]

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 15: Twin-Win Garant Securities

- If no Barrier Event has occurred, the Redemption Amount is determined according to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times (\text{Floor Level} + \text{Participation Factor} \times \text{abs}(\text{Performance of the Underlying} - 1))$$

- If a Barrier Event has occurred, the Redemption Amount is determined according to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times (\text{Floor Level} + \text{Participation Factor} \times (\text{Performance of the Underlying} - 1))$$

However, the Redemption Amount will in no case be less than the Minimum Amount [and not greater than the Maximum Amount].]

[Product Type 16: Win-Win Garant Securities

$$\text{Redemption Amount} = \text{Nominal Amount} \times (\text{Floor Level} + \text{Participation Factor} \times \text{abs}(\text{Performance of the Underlying} - 1))$$

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

[Product Type 17: Icarus Garant Securities

If no Barrier Event has occurred, the Redemption Amount is determined according to the following formula:

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (Performance of the Underlying - 1))

However, in this case the Redemption Amount is not less than the Minimum Amount.

If a Barrier Event has occurred, the Redemption Amount is equal to the Bonus Amount.]]

Product Type 18: Geoscope Securities

[In the case of Geoscope Securities, the following applies:]

§ 1

Definitions

"**Additional Amount (k)**" means the Additional Amount (k) as calculated or determined by the Calculation Agent pursuant to § 2 of the Special Conditions.

"**Additional Amount Payment Date (k)**" means the Additional Amount Payment Date (k) as specified in § 1 of the Product and Underlying Data.

"**Adjustment Event**" means [each of the following events]:

[In the case of a share or a depository receipt as Underlying, the following applies:]

- (a) each measure taken by the company that has issued the Underlying or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital – affect the Underlying not only immaterially (in particular capital increase against cash contribution, issuance of securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying, or
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of an index as Underlying, the following applies:]

- (a) changes in the relevant Index Concept or the calculation of the Underlying, that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the calculation or publication of the Underlying is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Underlying as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall be deemed not to be responsible for the termination of the license to use the Underlying due to an economically unreasonable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a commodity as Underlying, the following applies:]

[(a)] any changes in the Relevant Trading Conditions of the Underlying that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) [;

(b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying, the following applies:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which in the reasonable discretion (§ 315 BGB) of the Calculation Agent affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption and/or transfer of the Fund Shares;
- (b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of a corresponding authorisation of the Fund or of the Management Company by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) a breach of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) by the Fund or the Management Company that is material in the reasonable discretion of the Calculation Agent (§ 315 BGB) or a breach of statutory or regulatory requirements by the Fund or the Management Company;
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the

- conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the outstanding Fund Shares;
 - (l) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
 - (m) the sale or redemption of the Fund Shares for mandatory reasons affecting the Issuer, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of so-called side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (o) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
 - (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
 - (r) the Issuer loses the right to use the Fund as the Underlying for the Securities;
 - (s) a change in the tax laws and regulations or changes in relevant case law or administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder in the reasonable discretion (§ 315 BGB) of the Calculation Agent;
 - (t) no notification is given of the bases of taxation for the Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with § 5 (1) InvStG in the future;
 - (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to

date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (v) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund and/or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- (y) any other event that could have a noticeable adverse effect on the NAV of the Fund or on the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis;
- (z) the NAV is no longer published in the Underlying Currency;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.] [the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\left(\sum_{p=1}^P \ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right)^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark

Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[In the case of an index as Underlying referencing funds, the following applies:

"**Adjustment Event**" means each Index Adjustment Event and Fund Adjustment Event.]

"**Administrator**" means [the Administrator [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company appoints another person, company or institution as the Administrator of the Fund, each and every reference to the Administrator in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of providing administrative services to the Fund.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the Series as specified in § 1 of the Product and Underlying Data.]

"**Auditor**" means [the Auditor [if specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents][of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Auditor of the Fund, each and every reference to the Auditor in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor][in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report].]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and 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 § 1 of the Product and Underlying Data.]

"Barrier Event" means that the Geometric Performance of the Underlying (k) on any Observation Date (k) is equal to or greater than the Barrier Level.]

"Barrier Level" means the Barrier Level as specified in § 1 of the Product and Underlying Data.]

"Benchmark" means the index as specified in § 1 of the Product and Underlying Data.

"Benchmark Calculation Date" means each day on which the Benchmark Reference Price is calculated and published by the Benchmark Sponsor.

"Benchmark Reference Price" means the closing price of the Benchmark.

"Benchmark Sponsor" means the Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Benchmark, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant index concept or calculation of the Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Benchmark;
- (b) the calculation or publication of the Benchmark is finally discontinued, or replaced by another index (the "**Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Benchmark as basis for any calculation or specifications described in these Terms and Conditions;
- (d) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Benchmark.

In cases of a Benchmark Replacement Event the Calculation Agent is entitled to determine in its reasonable discretion (§ 315 BGB), which index should be used in the future as a Benchmark (the "**Replacement Benchmark**"). The Replacement Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Benchmark.

If the Benchmark is no longer determined by the Benchmark Sponsor but rather by another person, company or institution (the "**New Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Benchmark as determined by the New Benchmark Sponsor. In this case, any reference to the replaced Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

[In the case of Securities with Best-in observation, the following applies:

"Best-in Period" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Best-in Period (inclusive).]

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price is [normally] published [by the [Relevant Exchange][Index Sponsor or the Index Calculation Agent, as the case may be][Reference Market][Fund or the Management Company]][as scheduled by the Index Sponsor or the Index Calculation Agent].

"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 but not limited to the administrative practice of the tax or financial supervisory authorities),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the Underlying or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System" means the principal domestic clearance system customarily used for settling [trades with respect to the [Underlying] [securities that form the basis of the Underlying]] [subscriptions or redemptions of Fund Shares]; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [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**") [Euroclear France SA ("**Euroclear France**") [Insert other Clearing System(s)].

"Commodity Conversion Event" means each of the following:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;]
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Conversion Event" means [any of the following events:] [a Share Conversion Event] [an Index Conversion Event][;] [a Commodity Conversion Event][a Fund Conversion Event][;] [a Change in Law [and/or a Hedging Disruption [and/or Increased Costs of Hedging]].]

"Custodian Bank" means [the Custodian Bank [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Custodian Bank of the Fund, each and every reference to the Custodian Bank in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank]], in relation to a Fund, a person, company or institution acting as custodian of the Fund's assets according to the Fund Documents].

"Determining Futures Exchange" means the futures exchange, on which derivatives of the Underlying [or – if derivatives on the Underlying are not traded – of its components] (the "**Derivatives**") are most liquidly traded; such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Determining Futures Exchange, such as a final discontinuation of derivatives' quotation linked to the Underlying [or to its components] at the Determining Futures Exchange or a considerably restricted number or liquidity, it shall be substituted as the Determining Futures Exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the "**Substitute Futures Exchange**"); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Determining Futures Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange.

"**D (k)**" means the denominator attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

"**First Day of the [Best][Worst]-out Period**" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"**First Day of the Distribution Observation Period**" means the first Initial Observation Date.]

"**First Trade Date**" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"**Fund**" means, in relation to a Fund Share, the investment fund issuing that Fund Share or the [investment fund][Fund] in whose assets the Fund Share represents a proportional interest.]

[In the case of an index as Underlying referencing funds, the following applies:

"**Fund Adjustment Event**" means:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which in the reasonable discretion (§ 315 BGB) of the Calculation Agent affect the ability of the Issuer and/or the Hedging Party to comply with the terms of its hedging transactions, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the respective method of calculating the net asset value or (v) the timetable for the subscription, issue, redemption and/or transfer of the Fund Shares;
- (b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Fund and where included in the Underlying); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of a corresponding authorisation of the Fund or of the Management Company by the relevant authority; or (iv) the initiation of investigatory proceedings, a conviction by a court or an order by a

competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;

- (f) a breach of the investment objectives or the investment restrictions of the Fund (as defined in the Fund Documents) or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer or the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer or the Hedging Party with respect to its hedging transactions to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) an increase in the proportion of the volume held by the Issuer and the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into hedging transactions beyond [Insert relevant percentage]% of the outstanding Fund Shares in the Fund;
- (i) the Issuer or the Hedging Party is required to consolidate the Fund as a result of accounting or other regulations;
- (j) the sale or redemption of Fund Shares for reasons affecting the Issuer or the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (k) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of so-called side pockets for segregated assets of the Fund; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (l) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer, the Hedging Party or a Security Holder in the reasonable discretion (§ 315 BGB) of the Calculation Agent;
- (m) no notification is given of the bases of taxation for the Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with § 5 (1) InvStG in the future;
- (n) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Index Calculation Agent, the Issuer or the Hedging Party in relation to the Fund in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (o) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (p) the Fund or the Management Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as

soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (q) any other event that could have a noticeable adverse effect on the net asset value of the Fund or on the ability of the Hedging Party to hedge its obligations under the hedging transactions on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];
- (s) a Hedging Disruption occurs].

The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of a fund as Underlying, the following applies:

A "**Fund Conversion Event**" means each of the following events:

- (a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no Replacement Management Company is available;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (each a "**Fund Replacement Event**"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

[In the case of an index as Underlying referencing funds, the following applies:

A "**Fund Conversion Event**" exists if an adjustment pursuant to § 8 (2) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders.]

[In the case of a fund as Underlying or an index as Underlying referencing funds, the following applies:

"**Fund Documents**" means, in relation to [the Fund][a Fund], in each case, if available and in the respective most recent version: the annual report, the half-yearly report[, interim reports], the sales prospectus, the terms and conditions of the Fund [if applicable the articles of association], the key investor information and all other documents of the Fund in which the terms and conditions of the [Reference] Fund and of the Fund Shares are specified.]

[In the case of a fund as Underlying, the following applies:

"**Fund Management**" means the persons responsible for the portfolio and/or risk management of the Fund.]

[In the case a fund as Underlying or an index as Underlying referencing funds, the following applies:

"**Fund Services Provider**" means, if applicable [in relation to a Fund], the Administrator, the Auditor, the Investment Adviser, the Custodian Bank, the Management Company and the Portfolio Manager.

"**Fund Share**" means [a unit or share of the Fund and the class set out in § 1 of the Product and Underlying Data][an Index Component which is a share in a Fund].

"Geometric Average Performance of the Underlying (k)" means the value calculated pursuant the following formula:

$(\text{Performance of the Underlying (k)})^{1/D(k)}$

["Hedging Disruption" means that the Issuer is not able to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets, under conditions which are economically substantially equivalent to those on the First Trade Date.

under conditions which are economically substantially equivalent to those on the First Trade Date; whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

["Hedging Party" means the Hedging Party as specified in § 1 of the Product and Underlying Data. The Calculation Agent shall be entitled to specify another person or company as the Hedging Party (the **"Successor Hedging Party"**) at any time. The Calculation Agent shall give notice of the specification of a Successor Hedging Party pursuant to § 6 of the General Conditions. In this case each and every reference to the Hedging Party in these Terms and Conditions, depending on the context, shall be deemed to refer to the Successor Hedging Party.]

["Income Payment Event" means that the Geometric Average Performance of the Underlying (k) on the respective Observation Date (k) is greater than the Strike Level.]

["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 First Trade Date in order to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB). Cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

["Index Adjustment Event" means any of the following events:

- (a) changes in the relevant Index Concept or the calculation of the Underlying that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) the calculation or publication of the Underlying is permanently discontinued or it is replaced by another index (the **"Index Replacement Event"**);
- (c) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Reference Price is no longer published in the Underlying Currency.]

["Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

["Index Component" means, in relation to the Underlying, an asset or a reference value which is incorporated in the calculation of the Underlying at the relevant time.]

[In the case of a fund as Underlying, the following applies:

"Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Underlying is no longer calculated or published in the Underlying Currency[;];
- (d) no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)[;][
- (e) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of an Index as Underlying referencing funds, the following applies:

"Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (c) the determination or publication of the Underlying no longer occurs in the Underlying Currency[;][
- (d) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders.]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"Investment Adviser" means [the Investment Adviser [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Investment Adviser of the Fund, each and every reference to the Investment Adviser in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an adviser with respect to the investment activities of the Fund.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"Last Day of the Distribution Observation Period" means the last Final Observation Date.]

"Management Company" means [the Management Company [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund specifies another person, company or institution as the Management Company of the Fund, each and every reference to the Management Company in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company.]], in relation to

a Fund, a person, company or institution that manages the Fund according to the Fund Documents].]

"**Market Disruption Event**" means each of the following events:

[In the case of a share or a depository receipt as Underlying, the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying, the following applies:

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities that form the basis of the Underlying][components of the Underlying] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying are listed or traded;
- (b) in relation to [individual securities which form the basis of the Underlying] [components of the Underlying], the suspension or restriction of trading on the exchanges or on the markets on which such [securities][components] are traded or on the respective futures exchange or the markets on which derivatives of such [securities][components] are traded;
- (c) in relation to individual Derivatives of the Underlying, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the Underlying as a result of a decision by the Index Sponsor or the Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price, which is relevant for the Securities, and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange][Reference Market] or, as the case may be, the Determining Futures Exchange.]

[In the case of a commodity as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any

restriction of the trading hours or the number of days on which trading takes place on the Reference Market or, as the case may be, the Determining Futures Exchange shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.]

[In the case of a fund as Underlying, the following applies:

- (a) the failure to calculate or non-publication of the calculation of the NAV as the result of a decision by the Management Company or a Fund Services Provider on its behalf,
- (b) the closure, conversion or insolvency of the Underlying or other circumstances which make it impossible to determine the NAV, or
- (c) it is not possible to trade Fund Shares at the NAV. This also covers cases in which the Fund or the Management Company or the Fund Services Provider on their behalf decides to suspend the redemption or issue of the Fund Shares for a specified period or to restrict the redemption or issue of the Fund Shares to a specified portion of the volume of the Fund or to levy additional fees, or
- (d) the Fund or the Management Company redeems the Fund Shares in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

[In the case of an index as Underlying referencing funds, the following applies:

"Market Disruption Event" means any of the following events:

with respect to the Underlying:

- (a) the suspension or restriction of trading generally on the exchanges or markets on which the Index Components are traded;
- (b) in relation to an Index Component, the suspension or restriction of trading on the exchanges or markets on which that Index Component is traded or on the respective futures exchanges or markets on which derivatives linked to that Index Component are traded;
- (c) in relation to individual derivatives linked to the Underlying, the suspension or restriction of trading on the futures exchanges or markets on which such derivatives are traded;
- (d) the failure to calculate or the cessation or non-publication of the calculation of the Underlying as the result of a decision by the Index Sponsor or the Index Calculation Agent;

with respect to a Fund:

- (a) in relation to a Fund, the failure to calculate or the non-publication of the calculation of the respective NAV as the result of a decision by the respective Management Company or a Fund Services Provider on its behalf;
- (b) in relation to a Fund, the closure, conversion or insolvency of the Fund or other circumstances which make it impossible to determine the NAV;
- (c) in relation to a Fund, it is not possible to trade Fund Shares at the NAV, including the utilisation of provisions which suspend the redemption or issuance of Fund Shares for a particular period or restrict them to a particular portion of the volume of the Fund or

make them subject to the imposition of additional charges, or which permit particular assets to be segregated or payment to be made in kind instead of in cash or in the case in which payment is not made in full on the redemption of Fund Shares;

- (d) in relation to a Fund, comparable provisions which affect the ability of the Issuer to hedge its obligations under the Securities; and
- (e) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded;

to the extent that that event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

"Maturity Date" means the Maturity Date, as specified in § 1 of the Product and Underlying Data.

["Maximum Additional Amount [(k)"] means the Maximum Additional Amount [(k)] as specified in § 1 of the Product and Underlying Data.]

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.

["Minimum Additional Amount (k)"] means the Minimum Additional Amount (k) as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

["NAV"] means the official net asset value (the **"Net Asset Value"**) for a Fund Share as published by the [Reference] Fund or [the][from its] Management Company [or by a third person on their behalf] and at which it is actually possible to redeem Fund Shares.]

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date, the immediately following Day, which is a Calculation Date shall be the [respective] Initial Observation Date.

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If an Observation Date (k) is not a Calculation Date the immediately following Day, which is a Calculation Date shall be the respective Observation Date (k). The respective Additional Amount Payment Date (k) shall be postponed accordingly. No interest shall become due because of such postponement.

["Final Observation Date"] means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date, the immediately following Day which is a Calculation Date shall be the [respective] Final Observation Date. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.]

["Participation Factor"] means the Participation Factor as specified in § 1 of the Product and Underlying Data.]

["Performance of the Underlying (final)"] means the performance of the Underlying using the following formula:

$$(R (\text{final}) / R (\text{initial}))]$$

"Performance of the Underlying (k)" means the Performance of the Underlying (k) using the following formula:

R (k) / R (initial)

"Portfolio Manager" means [the Portfolio Manager [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Portfolio Manager of the Fund, each and every reference to the Portfolio Manager in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager.], in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an portfolio manager with respect to the investment activities of the Fund].]

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities where R (initial) has already been specified, the following applies:

"R (initial)" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

"R (initial)" means the Reference Price on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"R (initial)" means the equally weighted average of the products of Reference Prices and Reference Price Adjustment Factors determined on the Initial Observation Dates.]

[In other cases, the following applies:

"R (initial)" means the equally weighted average (arithmetic average) of the Reference Prices specified on the Initial Observation Dates.]

[In the case of Securities with [Best] [Worst]-in observation, the following applies:

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"R (initial)" means the [highest][lowest] value of the product of Reference Price and Reference Price Adjustment Factor during the [Best-in][Worst-in]-Period.]

[In other cases, the following applies:

"R (initial)" means the [highest] [lowest] Reference Price on [each of the Initial Observation Dates] [each [Insert relevant day(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Securities with final Reference Price observation, the following applies:

"R (final)" means the Reference Price on the Final Observation Date.]

[In the case of Securities with final average observation, the following applies:

"R (final)" means the equally weighted average (arithmetic average) of the Reference Prices on the Final Observation Dates.]

[In the case of Securities with [Best] [Worst]-out observation, the following applies:

"R (final)" means the [highest] [lowest] Reference Price on [each Final Observation Dates] [each [Insert Relevant Day(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including)].]

"R (k)" means the Reference Price on the relevant Observation Date (k).

"Rebate Amount" means the Rebate Amount as specified in § 1 of the Product and Underlying Data.]

"Redemption Amount" means the Redemption Amount as calculated or, respectively,

specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"Reference Market" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"Reference Price" means the Reference Price of the Underlying as specified in § 1 of the Product and Underlying Data.

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"Reference Price Adjustment Factor" means, in relation to an Observation Date, the product of all the Underlying Distribution Factors for which the Underlying Distribution Ex-Date falls into [the period] [the time] between the First Day of the Distribution Observation Period (exclusive) and the respective Observation Date (inclusive).]

"Relevant Exchange" means the [Relevant Exchange as specified [in the column "Relevant Exchange" in Table 2.1] in § 2 of the Product and Underlying Data][exchange on which the components of the Underlying are most liquidly traded; such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].

In the case of a material change in the market conditions at the Relevant Exchange, such as a final discontinuation of the quotation [of the components] of the Underlying at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the Relevant Exchange by another exchange that offers satisfactorily liquid trading in the Underlying (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Relevant Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange.]

"Security Holder" means the holder of a Security.

"Settlement Cycle" means the period of Clearance System Business Days [following a transaction on the Relevant Exchange [with respect to the Underlying][in the securities that form the basis of the Underlying]] during which period settlement [of subscriptions or redemptions of Fund Shares] will customarily take place according to the rules of [such Relevant Exchange][that Clearance System].

"Share Conversion Event" means each of the following events:

- (a) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) the quotation of the Underlying at the Relevant Exchange no longer occurs in the Underlying Currency;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)].]

"Specified Currency" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"Strike" means [the Strike as specified in § 1 of the Product and Underlying Data] [Strike Level x R (initial)].]

"Strike Level" means the Strike Level as specified as specified in § 1 of the Product and Underlying Data.]

"**Terms and Conditions**" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means the Underlying as specified in § 1 of the Product and Underlying Data.

"**Underlying Currency**" means the Underlying Currency as specified in § 2 of the Product and Underlying Data.

[In the case of Securities where distributions by the Underlying are retained and where the Underlying Currency is the same as the Specified Currency, the following applies:

"**Underlying Distribution**" means each cash distribution specified by the Calculation Agent in its reasonable discretion (§ 315 BGB) that is declared and paid by the Fund or the Management Company in respect of the Underlying.

"**Underlying Distribution Date**" means, in relation to an Underlying Distribution, the Calculation Date immediately prior to the respective Underlying Distribution Ex-Date.

"**Underlying Distribution Ex-Date**" means, in relation to an Underlying Distribution, the first day on which the NAV is published having been reduced by that Underlying Distribution.

"**Underlying Distribution Factor**" means the Underlying Distribution Factor calculated by the Calculation Agent in respect of each Underlying Distribution Ex-Date within the Underlying Distribution Observation Period as the total of (i) one and (ii) the quotient of the respective Underlying Distribution (net) and the NAV on the respective Underlying Distribution Date.

"**Underlying Distribution (net)**" means, in relation to an Underlying Distribution, that Underlying Distribution less an amount determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) equal to the taxes, levies, retentions, deductions or other charges that would arise with respect to the cash distribution for a private investor fully liable to tax in Germany if he were the holder of the Underlying.

"**Underlying Distribution Observation Period**" means each Calculation Date between the First Day of the Distribution Observation Period (exclusive) and the Last Day of the Distribution Observation Period.]

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with Worst-in observation, the following applies:

"**Worst-in Period**" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Worst-in Period (inclusive).]

§ 2

Interest, Additional Amount

(1) *Interest:* The Securities do not bear interest.

(2) *Additional Amount:*

(i) If on an Observation Date (k) an Income Payment Event has occurred and no Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k), the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x (Geometric Average Performance of the Underlying (k) – Strike Level).

[The Additional Amount (k) will not be greater than the Maximum Additional Amount.]

If no Income Event has occurred on an Observation Date (k) no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k).

(ii) If a Barrier Event has occurred on a given Observation Date (k) or on any previous Observation Date (k) the Rebate Amount will be paid on the respective Additional Amount Payment Date (k). Moreover, the Rebate Amount will be paid on any following Additional Amount Payment Date (k) regardless whether on any of the following Observation Date (k) an Income Payment Event has occurred.

§ 3

Redemption

Redemption: The Securities shall be redeemed by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

If no Barrier Event has occurred on any Observation Date (k) the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Performance of the Underlying (final).

However, the Redemption Amount in this case is not less than the Minimum Amount and not greater than the Maximum Amount.

If a Barrier Event has occurred on any Observation Date (k) the Redemption Amount corresponds to the Nominal Amount.

Product Type 19: Garant Basket Securities

Product Type 20: Garant Rainbow Securities

[In the case of Garant [Basket][Rainbow] Securities, the following applies:

§ 1

Definitions

"**Adjustment Event**" means [each of the following events]:

[In the case of a basket consisting of shares or a depository receipts as Underlying, the following applies:

- (a) each measure taken by the company that has issued the respective Basket Component_i or by a third party, which would -due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital- of the Calculation Agent, affect the respective Basket Component_i; not only immaterially (in particular capital increase against cash contribution, issuance of Securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (c) an adjustment performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i, or
- (d) [a Hedging Disruption occurs;
- (e) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a basket consisting of indices as Underlying, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the respective Basket Component_i, that in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the respective Basket Component_i being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component_i;
- (b) the calculation or publication of the respective Basket Component_i is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the respective Basket Component_i as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall not be responsible for a termination of the license to use the respective Basket Component_i due to an economically unreasonable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a basket consisting of commodities as Underlying, the following applies:

[(a)] means any changes in the Relevant Trading Conditions of the respective Basket Component_i that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) [;

(b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying other than ETF the following applies:

(a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

(b) requests for the issue, redemption or transfer of Fund Shares_i are executed only partially or not at all;

(c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

(d) the Fund_i or the Management Company_i or the Fund Services Provider_i appointed for this purpose by the Fund_i or the Management Company_i fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in Fund Documents_i;

(e) a change in the legal form of the Fund_i;

(f) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i of the Fund_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);

(g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons;

(h) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

(i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the

- conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent, in its reasonable discretion (§ 315 BGB);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;
 - (l) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
 - (m) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i or (iv) payments in respect of a redemption of the Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (o) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
 - (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund_i or the Management Company_i;
 - (r) the Issuer loses the right to use the Fund_i as a Basket Component for the Securities;
 - (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (t) no notification is given of the bases of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;

- (u) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on NAV_i or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) NAV_i is no longer published in the Underlying Currency,
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\left[\sum_{p=1}^P \ln \left[\frac{NAV_i(t-p)}{NAV_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV_i(t-q)}{NAV_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i(t-k)" (where k = p, q) is NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV_i between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRPi(t-p)}{BRPi(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRPi(t-q)}{BRPi(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP_i (t-k)" (with k = p, q) is the Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[In the case of ETF as Underlying the following applies:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue or purchase, redemption or sale or transfer of Fund Shares_i are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);

- (d) the Fund_i or the Management Company_i or a provider of fund services appointed for this purpose by the Fund_i or the Management Company_i fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in the Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Relevant Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (i) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or of the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or of the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons;
- (j) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (l) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (m) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;
- (n) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
- (o) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;

- (p) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i; or of the redemption of existing Fund Shares_i; or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i; or (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (q) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
- (s) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund_i or the Management Company_i;
- (t) the Issuer loses the right to use the Fund Share_i as the Underlying for the Securities;
- (u) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) no notification is given of the basis of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (w) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are

fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (aa) any other event that could have a noticeable adverse effect on the NAV_i of the Fund; or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (bb) the NAV_i is no longer published in the Underlying Currency,
- (cc) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]
- [(dd) a Hedging Disruption occurs];[.]

[(dd)][(ee)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.][the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV_i(t-p)}{NAV_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV_i(t-q)}{NAV_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i(t-k)" (where k = p, q) is NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"**t**" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"**P**" is [*Insert number of days*];

"**BRP (t-k)**" (with $k = p, q$) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"**p**" and "**q**" means integer numbers representing each number from and including 1 to and including P;

"**ln [x]**" denotes the natural logarithm of x .

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [*Insert number of days*] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

["**Administrator_i**" means [the Administrator_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i appoints another person, company or institution as Administrator of the Fund_i, each and every reference to Administrator_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.] [, in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of providing administrative services to the Fund_i.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the series as specified in § 1 of the Product and Underlying Data.

"**Auditor_i**" means [the Auditor_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Auditor of the Fund_i, each and every reference to the Auditor in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor.]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of auditing the Fund_i in connection with the annual report.]]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and 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 § 1 of the Product and Underlying Data.]

"**Basket Component_i**" means the respective [share][index][commodity][Fund Share_i] as specified in § 1 of the Product and Underlying Data.

[In the case of Garant Rainbow Securities, the following applies:

"**Basket Component_{i best}**" means the following Basket Component_i:

"**Basket Component_{i best}**" (with $i = 1$) means the Basket Component_i with the Best Performance.

"**Basket Component_{i best}**" (with $i = 2, \dots, N$) means the Basket Component_i with the Best Performance differing from all Basket Components_{j best} (with $j = 1, \dots, (i-1)$).]

["**Benchmark**" means the index as specified in § 1 of the Product and Underlying Data.

"Benchmark Calculation Date" means each day on which the Benchmark Reference Price is calculated and published by the Benchmark Sponsor.

"Benchmark Reference Price" means the closing price of the Benchmark.

"Benchmark Sponsor" means the Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Benchmark, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant index concept or calculation of the Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Benchmark;
- (b) the calculation or publication of the Benchmark is finally discontinued, or replaced by another index (the **"Benchmark Replacement Event"**);
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Benchmark as basis for any calculation or specifications described in these Terms and Conditions;
- (d) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Benchmark.

In cases of a Benchmark Replacement Event the Calculation Agent is entitled to determine in its reasonable discretion (§ 315 BGB), which index should be used in the future as a Benchmark (the **"Replacement Benchmark"**). The Replacement Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Benchmark.

If the Benchmark is no longer determined by the Benchmark Sponsor but rather by another person, company or institution (the **"New Benchmark Sponsor"**), then any calculation described in these Terms and Conditions shall occur on the basis of the Benchmark as determined by the New Benchmark Sponsor. In this case, any reference to the replaced Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

[In the case of Securities with a Best-in feature, the following applies:

"Best-in Period" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Best-in Period (inclusive).]

[In the case of Garant Rainbow Securities, the following applies:

"Best Performance" means the performance of the Basket Component_j whose performance is expressed by:

Performance of the Basket Component_j = max(K_i (final) / K_i (initial)) (where i = 1, ..., N)]

[In the case of Securities with a Best-out feature, the following applies:

"Best-out Period" means [Insert relevant day(s)] between the First Day of the Best-out Period (inclusive) and the Final Observation Date (inclusive).]

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means [in relation to each Basket Component_i] each day on which the [Reference Price][relevant Reference Price_i] is [normally] published by the [respective Relevant Exchange_i][respective Index Sponsor_i or the respective Index Calculation Agent_i][respective Reference Market_i] [respective Fund_i or of the respective Management Company_i].

"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),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the respective [Basket Component_i][Underlying] or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("CBF")][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")] [Euroclear France SA ("Euroclear France")][*Insert other Clearing System(s)*].

"Clearance System" means the principal domestic clearance system customarily used for settling [trades with respect to the [respective Basket Component_i] [securities that form the basis of the respective Basket Component_i]; such system shall be determined][subscriptions or redemptions of Fund Shares_i; such system shall be determined] by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.]

"Commodity Conversion Event" means each of the following events:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occurs;
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].]

"Conversion Event" means [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event] [Fund Conversion Event].]

"Currency of the Basket Component_i" means the Currency of the Basket Component_i as specified in § 2 of the Product and Underlying Data.

"Custodian Bank_i" means [the Custodian Bank_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Custodian Bank of the Fund_i, each and every reference to the Custodian Bank_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank.],

in relation to a Fund_i, a person, company or institution acting as custodian of the Fund_i's assets according to the Fund Documents_i.]

Determining Futures Exchange_i" means the futures exchange, on which respective derivatives of the [respective Basket Component_i [or – if derivatives on the respective Basket Component_i are not traded – its components]] [Underlying] (the "**Derivatives**") are most liquidly traded; such future exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the [respective Basket Component_i [or to its components]] [Underlying] at the Determining Futures Exchange_i; or a considerably restricted number or liquidity, it shall be substituted as the determining futures exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the "**Substitute Futures Exchange_i**"); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). In this case, any reference to the Determining Futures Exchange_i in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange_i.

[In the case of ETF as Underlying the following applies:

"Exchange Traded Fund" means a Fund specified as Exchange Traded Fund in § 2 of the Product and Underlying Data.]

"Exercise Date" means the [last] Final Observation Date.

["First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

["Fund_i]" means, in relation to a Fund Share_i, the investment fund issuing that Fund Share_i or the Fund_i in whose assets the Fund Share_i represents a proportional interest.]

["Fund Conversion Event" means each of the following events:

(a) [no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)]

[(b) [no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)]

[(b) [(c)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];

[(c) [(d)] an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a "Fund Replacement Event"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

["Fund Documents_i]" means, in relation to a Fund_i, in each case, if available and in the respective valid version: the annual report, the half-yearly report[, the interim reports], the sales prospectus, the terms and conditions of the Fund_i, as well as, if applicable, the articles of association or shareholder agreement, the key investor information document and all other documents of the Fund_i in which the terms and conditions of the Fund_i and of the Fund Shares_i are specified.]

["Fund Management_i]" means the persons responsible for the portfolio and/or the risk management of the Fund_i.]

["Fund Services Provider_i]" means, if available, the Administrator_i, the Investment Adviser_i, the Custodian Bank_i, the Management Company_i, the Portfolio Manager_i and the Auditor_i.]

["Fund Share;" means [a unit or share of the Fund_i and of the class set out in § 1 of the Product and Underlying Data][an Index Component which is a share in a Fund].]

["Hedging Disruption" means that the Issuer is not able[, under conditions which are substantially the same in financial terms as those applying on the First Trade Date for the Securities,] to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date; whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

["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 First Trade Date in order to

- (a) 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
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB). Costs increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

[In the case of an index as Underlying referencing funds, the following applies:

"Index Adjustment Event" means any of the following events:

- (a) changes in the relevant Index Concept or the calculation of the Underlying that result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) the calculation or publication of the Underlying is permanently discontinued or it is replaced by another index (the **"Index Replacement Event"**);
- (c) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

(d) the Reference Price is no longer published in the Underlying Currency.][**"Index Calculation Agent;"** means the Index Calculation Agent_i as specified in § 2 of the Product and Underlying Data.]

["Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Basket Component is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occurs;
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) no suitable substitute for the respective Index Sponsor_i and/or the respective Index Calculation Agent_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (e) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

"Index Sponsor_i" means the Index Sponsor_i as specified in § 2 of the Product and Underlying Data.]

"Index Component" means, in relation to the Underlying, an asset or a reference value which is incorporated in the calculation of the Underlying at the relevant time.]

"Investment Adviser_i" means [the Investment Adviser_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Investment Adviser_i of the Fund_i, each and every reference to the Investment Adviser_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an adviser with respect to the investment activities of the Fund_i.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where K_i (initial) has already been specified, the following applies:

" K_i (initial)" means K_i (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

" K_i (initial)" means the Reference Price_i [of the Basket Component_i] on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

" K_i (initial)" means the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_i specified on the Initial Observation Dates.]

[In the case of Securities with [Best][Worst]-in observation, the following applies:

" K_i (initial)" means the [highest][lowest] Reference Price_i on [each of the Initial Observation Dates] [each [Insert relevant date(s)] between the First Day of the [Best] [Worst]-in Period (including) and the Last Day of the [Best] [Worst]-in Period (including).]

[In the case of Garant Rainbow Securities where K_i (initial) has already been specified, the following applies:

" $K_{i \text{ best}}$ (initial)" means K_i (initial) of the Basket Component _{$i \text{ best}$} .]

[In the case of Securities with final Reference Price observation, the following applies:

" K_i (final)" means the Reference Price_i [of the Basket Component_i] on the Final Observation Date.]

[In the case Securities with final average observation, the following applies:

" K_i (final)" means the equally weighted average (arithmetic average) of the Reference Prices of the Basket Component_i specified on the Final Observation Dates.]

[In the case of Securities with [Best][Worst]-out observation, the following applies:

" K_i (final)" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each [Insert relevant date(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including).]

[In the case of Garant Rainbow Securities with final Reference Price observation, the following applies:

" $K_{i \text{ best}}$ (final)" means K_i (final) of the Basket Component _{$i \text{ best}$} .]

"Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

"Management Company_i" means [the Management Company_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i specifies another person, company or institution as the Management Company_i of the Fund_i each and every reference to the Management Company_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company_i.], in relation to a Fund_i, a person, company or institution that manages the Fund_i according to the Fund Documents_i.]

"Market Disruption Event" means each of the following events:

[In the case of a basket consisting of shares or depository receipts as Underlying, the following applies:

- (a) the failure of the respective Relevant Exchange_i to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the respective Basket Component_i on the respective Relevant Exchange_i;
- (c) in general the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the respective Determining Futures Exchange_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of indices as Underlying, the following applies

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities][underlyings] that form the basis of the respective Basket Component_i are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the respective Basket Component_i are listed or traded;
- (b) in relation to individual [securities][underlyings] which form the basis of respective Basket Component_i, the suspension or restriction of trading on the exchanges or on the markets on which such [securities][underlyings] are traded or on the respective futures exchange or the markets on which derivatives of such [securities][underlyings] are traded;
- (c) in relation to individual Derivatives of the respective Basket Component_i the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the respective Basket Component_i as a result of a decision by the Index Sponsor_i or the Index Calculation Agent_i;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point in time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the respective [Relevant Exchange_i][Reference Market_i] or, as the case may be, the Determining Futures Exchange_i,

shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange;][Reference Market;] or, as the case may be, the Determining Futures Exchange.ⁱ]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the respective Basket Component_i on the Reference Market_i or
- (b) the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the Determining Futures Exchange_i

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a fund as Underlying other than ETF the following applies:

- (a) the failure to calculate or the non-publication of the calculation of the NAV_i as a result of a decision by the Management Company_i or by the Fund Services Provider_i on behalf of the Management Company_i,
- (b) the closure, conversion or insolvency of the Fund_i or other circumstances which make it impossible to determine the NAV_i, or
- (c) it is not possible to trade Fund Shares_i at the NAV_i. This also covers cases in which the Fund_i or the Management Company_i or the Fund Services Provider_i on their behalf decides to suspend the redemption or issue of the Fund Shares_i for a specified period or to restrict the redemption or issue of the Fund Shares_i to a specified portion of the volume of the Fund_i or to levy additional fees, or
- (d) the Fund_i or the Management Company_i redeems the Fund Shares_i in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund_i are listed or traded,

to the extent that that event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

[In the case of ETF as Underlying the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;
- [(d) the failure to calculate or the non-publication of the calculation of the NAV_i as a result of a decision by the Management Company_i or by the Fund Services Provider_i on behalf of the Management Company_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material [(with exception of (d) for which the time at which the NAV_i is usually published should be the relevant point in time)]; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315

BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

[In the case of an index as Underlying referencing a fund, the following applies:

with respect to the Underlying:

- (a) the suspension or restriction of trading generally on the exchanges or markets on which the Index Components are traded;
- (b) in relation to an Index Component, the suspension or restriction of trading on the exchanges or markets on which that Index Component is traded or on the respective futures exchanges or markets on which derivatives linked to that Index Component are traded;
- (c) in relation to individual derivatives linked to the Underlying, the suspension or restriction of trading on the futures exchanges or markets on which such derivatives are traded;
- (d) the failure to calculate or the cessation or non-publication of the calculation of the Underlying as the result of a decision by the Index Sponsor or the Index Calculation Agent;

with respect to a Fund:

- (e) in relation to a Fund, the failure to calculate or the non-publication of the calculation of the respective NAV as the result of a decision by the respective Management Company or a Fund Services Provider on its behalf,
- (f) in relation to a Fund, the closure, conversion or insolvency of the Fund or other circumstances which make it impossible to determine the NAV;
- (g) in relation to a Fund, it is not possible to trade Fund Shares at the NAV, including the utilisation of provisions which suspend the redemption or issuance of Fund Shares for a particular period or restrict them to a particular portion of the volume of the Fund or make them subject to the imposition of additional charges, or which permit particular assets to be segregated or payment to be made in kind instead of in cash or in the case in which payment is not made in full on the redemption of Fund Shares;
- (h) in relation to a Fund, comparable provisions which affect the ability of the Issuer to hedge its obligations under the Securities; and
- (i) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded;

to the extent that that event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.]

"Maturity Date" means the Maturity Date, as specified in § 1 of the Product and Underlying Data.

[In the case of Garant Cap Basket and Garant Cap Rainbow Securities, the following applies:

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"N" means the number of Basket Components as specified in § 1 of the Product and Underlying Data.

["NAV_i" means the official net asset value (the "Net Asset Value") for a Fund Share_i as published by the Fund_i or the Management Company_i or by a third person on their behalf and at which it is actually possible to redeem the Fund Shares_i.]

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

["Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date for one or more Basket Components, the immediately following Day, which is a Calculation Date shall be the [respective] Initial Observation Date for [all Basket Components][the relevant Basket Component_i].]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following Day, which is a Calculation Date shall be the [respective] Final Observation Date for [all Basket Components][the relevant Basket Component_i]. [The Maturity Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date will be postponed accordingly.] No interest shall become due because of such postponement.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

[In the case of Garant Basket Securities, the following applies:

"Performance_i" means the performance of the Basket Component_i according to the following formula:

$$K_i \text{ (final)} / K_i \text{ (initial)}$$

"Performance of the Underlying" means the performance of the Underlying according to the following formula:

$$\text{Performance of the Underlying} = \sum_{i=1}^N (\text{Performance}_i \times W_i).$$

[In the case of Garant Rainbow Securities, the following applies:

"Performance_{i best}" means the performance of the Basket Component_{i best} multiplied with the respective Weighting_{i best} ($W_{i best}$) according to the following formula:

$$(K_{i best} \text{ (final)} / K_{i best} \text{ (initial)}) \times W_{i best}$$

"Performance of the Underlying" means the performance of the Underlying according to the following formula:

$$\text{Performance of the Underlying} = \sum_{i=1}^N (\text{Performance}_{i best}).]$$

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

["Portfolio Manager_i" means [the Portfolio Manager_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Portfolio Manager_i of the Fund_i, each and every reference to the Portfolio Manager_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager_i.] [, in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an portfolio manager with respect to the investment activities of the Fund_i.]]

"Redemption Amount" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

["Reference Market_i" means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

"Reference Price_i" means the Reference Price_i of the relevant Basket Component_i as specified in § 1 of the Product and Underlying Data.

"Relevant Exchange_i" means the [respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component_i are traded; such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

In the case of a material change in the market conditions at the [respective] Relevant Exchange_i, such as a final discontinuation of the quotation of the [respective Basket Component_i [or, respectively its components]] [Underlying] at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the relevant exchange by another exchange that offers satisfactorily liquid trading in the Basket Component_i [or, respectively its components] (the "Substitute Exchange_i"); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). In this case, any reference to the Relevant Exchange_i in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange_i.]

"Security Holder" means the holder of a Security.

"Settlement Cycle" means the period of Clearance System Business Days [following a transaction on the Relevant Exchange_i [with respect to the relevant Basket Component_i]] [in the securities that form the basis of the respective Basket Component_i], during which period settlement [of subscriptions or redemptions of Fund Shares_i] will customarily take place according to the rules of [such Relevant Exchange_i][the Clearance System].]

"Share Conversion Event" means each of the following events:

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].]

"Specified Currency" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"Strike" means the Strike as specified in § 1 of the Product and Underlying Data].

"Terms and Conditions" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Underlying" means a basket consisting of the Basket Components.

"Website[s] for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

[In the case of Garant Basket Securities, the following applies:

"Weighting; (W_i)" (with $i = 1, \dots, N$) means the Weighting of the Basket Component_i, as specified in § 1 of the Product and Underlying Data.]

[In the case of Garant Rainbow Securities, the following applies:

"**Weighting_{i best} (W_{i best})**" (with $i = 1, \dots, N$) means the Weighting applicable to the respective Basket Component_{i best} as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with a Worst-in feature, the following applies:

"**Worst-in Period**" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Worst-in Period (inclusive).]

[In the case of Securities with a Worst-out feature, the following applies:

"**Worst-out Period**" means [Insert relevant day(s)] between the First Day of the Worst-out Period (inclusive) and the Final Observation Date (inclusive).]

§ 2

Interest

Interest: The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 19: Garant Basket Securities

Product Type 20: Garant Rainbow Securities

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (Performance of the Underlying – Strike))

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

Product Type 21: FX Upside Garant Basket Securities

Product Type 22: FX Downside Garant Basket Securities

Product Type 23: Proxy FX Upside Garant Basket Securities

Product Type 24: Proxy FX Downside Garant Basket Securities

In the case of FX Upside Garant, FX Downside Garant, Proxy FX Upside Garant and Proxy FX Downside Garant Basket Securities, the following applies:

§ 1

Definitions

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and 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 § 1 of the Product and Underlying Data.]

"Base Currency_i" means the respective Base Currency_i as specified in § 2 of the Product and Underlying Data.

"Basket Component_i" means the respective FX Exchange Rate_i as specified in § 1 of the Product and Underlying Data.

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which FX_i is published by the Fixing Sponsor_i.

"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),

that becomes effective on or after the Issue Date of the Securities,

- [(a)] the holding, acquisition or sale of the respective Basket Component_i or 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**")][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**")] [Euroclear France SA ("**Euroclear France**")] [*Insert other Clearing System(s)*].

"Conversion Event" means each of the following events:

- [(a) no suitable New Fixing Sponsor (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate (as specified in § 9 (2) of the Special Conditions) is

available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB); or

- (b) due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on the respective Basket Component_i) the reliable determination of FX_i is impossible or impracticable.]

"Counter Currency_i" means the respective Counter Currency_i as specified in § 2 of the Product and Underlying Data.

"Exercise Date" means the [last] Final Observation Date.]

"First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

"Fixing Sponsor_i" means the Fixing Sponsor_i as specified in § 2 of the Product and Underlying Data.

"FX_i" means the official fixing of the FX Exchange Rate_i as published by the Fixing Sponsor_i on the FX Screen Page_i (or any successor page).

"FX Exchange Rate_i" means the currency exchange rate for the conversion of Base Currency_i into the Counter Currency_i.

"FX Screen Page_i" means the FX Screen Page_i as specified in § 2 of the Product and Underlying Data.

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where K_i (initial) has already been specified, the following applies:

"K_i (initial)" means the specified FX_i as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial FX observation, the following applies:

"K_i (initial)" means the respective FX_i on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:

"K_i (initial)" means the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates.]

[In the case of Securities with [Best][Worst]-in observation, the following applies:

"K_i (initial)" means the [greatest] [lowest] FX_i on [each of the Initial Observation Dates] [each [Insert relevant date(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Securities with final FX observation, the following applies:

"K_i (final)" means the FX_i on the Final Observation Date.]

[In the case Securities with final average observation, the following applies:

"K_i (final)" means the equally weighted average (arithmetic average) of the FX_i published on the Final Observation Dates.]

[In the case of Securities with [Best][Worst]-out observation, the following applies:

"K_i (final)" means the [greatest] [lowest] FX_i on [each of the Final Observation Dates] [each

[Insert relevant date(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including).]

"Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

"Market Disruption Event" means each of the following events:

- (a) the failure of the respective Fixing Sponsor_i to publish the respective FX_i;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of the respective FX_i (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"Maturity Date" means the Maturity Date, as specified [in the column "Maturity Date" in Table [●]] in § 1 of the Product and Underlying Data.

[In the case of [Proxy] FX Upside Garant Cap Basket and [Proxy] FX Downside Garant Cap Basket Securities, the following applies:

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

["Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date for one or more Basket Components, the immediately following Day, which is a Calculation Date shall be the [respective] Initial Observation Date for [all Basket Components][the relevant Basket Component;].]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following Day, which is a Calculation Date shall be the [respective] Final Observation Date for [all Basket Components][the relevant Basket Component;]. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

[In the case of FX Upside Garant Basket Securities (Vanilla), the following applies:

"Performance_i" means the performance of the Basket Component_i according to the following formula:

$$(K_i (\text{final}) - \text{Strike}_i) / K_i (\text{final})]$$

[In the case of FX Upside Garant Basket Securities (Self Quanto), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$(K_i (\text{final}) - \text{Strike}_i) / \text{Strike}_i]$$

[In the case of FX Downside Garant Basket Securities (Vanilla), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$(\text{Strike}_i - K_i (\text{final})) / K_i (\text{final})]$$

[In the case of FX Downside Garant Basket Securities (Self Quanto), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$(\text{Strike}_i - K_i (\text{final})) / \text{Strike}_i]$$

[In the case of Proxy FX Upside Garant Basket Securities (Vanilla), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$\text{Max} (0; (K_i (\text{final}) - \text{Strike}_i) / K_i (\text{final}))]$$

[In the case of Proxy FX Upside Garant Basket Securities (Self Quanto), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$\text{Max} (0; (K_i (\text{final}) - \text{Strike}_i) / \text{Strike}_i)]$$

[In the case of Proxy FX Downside Garant Basket Securities (Vanilla), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$\text{Max} (0; (\text{Strike}_i - K_i (\text{final})) / K_i (\text{final}))]$$

[In the case of Proxy FX Downside Garant Basket Securities (Self Quanto), the following applies:

"**Performance_i**" means the performance of the Basket Component_i according to the following formula:

$$\text{Max} (0; (\text{Strike}_i - K_i (\text{final})) / \text{Strike}_i)]$$

"**Performance of the Underlying**" means the performance of the Underlying according to the following formula:

$$\text{Performance of the Underlying} = \sum_{i=1}^N \text{Performance}_i \times W_i$$

"**Principal Paying Agent**" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

"**Redemption Amount**" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

"**Security Holder**" means the holder of a Security.

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Strike_i**" means [the Strike_i as specified in § 1 of the Product and Underlying Data][K_i (initial) x Strike Level].

"**Strike Level**" means the Strike Level as specified in § 1 of the Product and Underlying Data.]

"Terms and Conditions" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Underlying" means a Basket consisting of the Basket Components.

"Website[s] for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"Weighting; (W_i)" (with $i = 1, \dots, N$) means the Weighting of the Basket Component_i, as specified [in the column "Weighting_i (W_i)" in Table [●]] in § 1 of the Product and Underlying Data.

§ 2

Interest

Interest: The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 21: FX Upside Garant Basket Securities

Product Type 22: FX Downside Garant Basket Securities

Product Type 23: Proxy FX Upside Garant Basket Securities

Product Type 24: Proxy FX Downside Garant Basket Securities

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x Performance of the Underlying)

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].]

Product Type 25: Garant Performance Telescope Basket Securities

[Product Type 25: In the case of Garant Performance Telescope Basket Securities, the following applies:

§ 1

Definitions

"**Additional Amount (k)**" means the Additional Amount (k) as calculated or determined by the Calculation Agent pursuant to § 2 of the Special Conditions.

"**Additional Amount Payment Date (k)**" means the Additional Amount Payment Date (k) as specified in § 1 of the Product and Underlying Data.

[In the case of an Underlying other than ETF the following applies:

"**Adjustment Event**" means [each of the following events]:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption and/or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the redemption, subscription or transfer of Fund Shares_i are not or only partially executed;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date; whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (d) the Fund_i or the Management Company_i or the Fund Services Provider_i appointed for this purpose by the Fund_i or the Management Company_i fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in the Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i of the Fund_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or of the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Fund_i or of the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of a corresponding authorisation of the Fund_i or of the Management Company_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i of the Fund_i as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (h) a breach of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) by the Fund_i or the

Management Company_i; that is material or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the outstanding Fund Shares_i;
- (l) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
- (m) the sale or redemption of the Fund Shares_i for mandatory reasons affecting the Issuer, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i, (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares_i, (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of so-called side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (o) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
- (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund_i or the Management Company_i;
- (r) the Issuer loses the right to use the Fund_i as the Basket Component for the Securities;
- (s) a change in the tax laws and regulations or changes in relevant case law or administrative practice of the tax authorities which has negative consequences for the

Issuer or a Security Holder whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (t) no notification is given of the bases of taxation for the Fund_i in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with § 5 (1) InvStG in the future;
- (u) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on the NAV_i or on the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) the NAV_i is no longer published in the Currency of the Basket Component_i;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{NAV}_i(t-p)}{\text{NAV}_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{NAV}_i(t-q)}{\text{NAV}_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i (t-k)" (with k = p, q) is the NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P

"ln [x]" denotes the natural logarithm of [x].

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Basket Component_i for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV_i between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRPi(t-p)}{BRPi(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRPi(t-q)}{BRPi(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP_i (t-k)" (with k = p, q) is the Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of ETF as Underlying the following applies:

"Adjustment Event" means [each of the following events]:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (b) requests for the issue or purchase, redemption or sale or transfer of Fund Shares_i are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (d) the Fund_i or the Management Company_i or a provider of fund services appointed for this purpose by the Fund_i or the Management Company_i fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in the Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Relevant Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (i) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or of the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or of the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (j) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i;
- (k) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (l) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (m) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;

- (n) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
- (o) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (p) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i or (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (q) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
- (s) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund_i or the Management Company_i;
- (t) the Issuer loses the right to use the Fund Share_i as the Underlying for the Securities;
- (u) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) no notification is given of the basis of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (w) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or

restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (z) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (aa) any other event that could have a noticeable adverse effect on the NAV_i of the Fund_i or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (bb) the NAV_i is no longer published in the Underlying Currency,
- (cc) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][[(each a "**Fund Replacement Event**")][;][.]

[(dd)] a Hedging Disruption occurs][;][.]

[(dd)][(ee)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV_i(t-p)}{NAV_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV_i(t-q)}{NAV_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i (t-k)" (with k = p, q) is the NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of [x].

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. [The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP_i(t-p)}{BRP_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP_i(t-q)}{BRP_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP_i (t-k)" (with k = p, q) is the Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

"**Administrator_i**" means [the Administrator_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i appoints another person, company or institution as the Administrator of the Fund_i, each and every reference to the Administrator_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator_i.] [, in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of providing administrative services to the Fund_i.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the Series as specified in § 1 of the Product and Underlying Data.]

"**Auditor_i**" means [the Auditor_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Auditor of the Fund_i, each and every reference to the Auditor_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor_i.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of auditing the Fund_i in connection with the annual report.]]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("**TARGET2**") are open for business][is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"**Banking Day Financial Centre**" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"**Basket Component_i**" means the respective Fund Share_i as specified in § 2 of the Product and Underlying Data (and collectively the "Basket Components").

[In the case of Securities with Best-in observation, the following applies:

"Best-in Period" means [*Insert relevant day(s)*] between the Initial Observation Date (inclusive) and the Last Day of the Best-in Period (inclusive)].

[In the case of Securities with a Best-out observation, the following applies:

"Best-out Period" means [*Insert relevant day(s)*] between the First Day of the Best-out Period (inclusive) and the Final Observation Date (inclusive).]

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price_i is normally published by the respective Fund_i or the respective Management Company_i.

"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),

that becomes effective on or after the Issue Date of the Securities,

- (i) the holding, acquisition or sale of the Underlying or 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
- (ii) 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 decision as to whether the preconditions exist shall be made by the Issuer in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

"Clearance System" means the principal domestic clearance system customarily used for settling subscriptions or redemptions of Fund Shares_i; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which the Clearance System is open for the acceptance and execution of settlement instructions.]

[In the case of Securities with CBF as Clearing System, the following applies:

"Clearing System" means Clearstream Banking AG, Frankfurt am Main ("CBF").]

[In the case of Securities with 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**").]

[In the case of Securities with another Clearing System, the following applies:

"Clearing System" means [*Insert other Clearing System(s)*].]

"Conversion Event" means a Fund Conversion Event.

"Currency of the Basket Component_i" means the Currency of the Basket Component_i as specified in § 2 of the Product and Underlying Data.

"Custodian Bank_i" means [the Custodian Bank_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Custodian Bank of the Fund_i, each and every reference to the Custodian Bank_i in these Terms and

Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank.]], in relation to a Fund_i, a person, company or institution acting as custodian of the Fund_i's assets according to the Fund Documents;].]

"**D (k)**" means the denominator attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

[In the case of ETF as Underlying the following applies:

"**Determining Futures Exchange**" means the futures exchange, on which respective derivatives of the Underlying (the "**Derivatives**") are most liquidly traded, and as determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such Derivative's number or liquidity.

In the case of a material change in the market conditions at the Determining Futures Exchange, such as a final discontinuation of derivatives' quotation linked to the Underlying at the Determining Futures Exchange or a considerably restricted number or liquidity, it shall be substituted as the determining futures exchange by another futures exchange that offers satisfactorily liquid trading in the Derivatives (the "Substitute Futures Exchange"); such futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). In this case, any reference to the Determining Futures Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange.]

[In the case of ETF as Underlying the following applies:

"**Exchange Traded Fund**" means a Fund specified as Exchange Traded Fund in § 2 of the Product and Underlying Data.]

"**Exercise Date**" means the [last] Final Observation Date.

"**Final Strike Level**" means the Final Strike Level [as specified in § 1 of the Product and Underlying Data].

[In the case of Securities with a Best-out observation, the following applies:

"**First Day of the Best-out Period**" means the First Day of the Best-out Period specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with a Worst-out observation, the following applies:

"**First Day of the Worst-out Period**" means the First Day of the Worst-out Period specified in § 1 of the Product and Underlying Data.]

"**First Trade Date**" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"**Floor Level**" means the Floor Level as specified in § 1 of the Product and Underlying Data.

"**Fund_i**" means, in relation to a Fund Share_i, the investment fund issuing that Fund Share_i or the investment fund in whose assets the Fund Share_i represents a proportional interest.

A "**Fund Conversion Event**" means each of the following events:

- (a) no Replacement Basket Component is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur(s)[;
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a "**Fund Replacement Event**"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].

"Fund Documents" means, in relation to a Fund_i, in each case, if available and in the respective most recent version: the annual report, the half-yearly report[, interim reports], the sales prospectus, the terms and conditions of the Fund_i, if applicable the articles of association, the key investor information and all other documents of the Fund_i in which the terms and conditions of the Fund_i and of the Fund Shares_i are specified.

"Fund Management_i" means the persons responsible for the portfolio and/or risk management of the Fund_i.

"Fund Services Provider_i" means, if applicable, the Administrator_i, the Auditor_i, the Investment Adviser_i, the Custodian Bank_i, the Management Company_i and the Portfolio Manager_i.

"Fund Share_i" means a unit or share of the class set out [in the "Basket Component_i" column in Table [●]] in § 2 of the Product and Underlying Data.

["Hedging Disruption" means that the Issuer is not able, under conditions which are substantially the same in financial terms as those applying on the First Trade Date for the Securities, to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB)]

["Income Payment Event" means that the Performance of the Underlying (k) is greater than the Strike.]

["Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenses and fees (with the exception of broker fees) compared to the First Trade Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB). Costs increases due to a deterioration of the creditworthiness of the Issuer are not to be considered as Increased Costs of Hedging.]

"Investment Adviser_i" means [the Investment Adviser_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Investment Adviser_i of the Fund_i, each and every reference to the Investment Adviser_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an adviser with respect to the investment activities of the Fund_i.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

[In the case of an Issuing Agent, the following applies:

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where K_i (initial) has already been specified, the following applies:

"K_i (initial)" means K_i (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with an initial reference price observation, the following applies:

"K_i (initial)" means the Reference Price_i of the Basket Component_i on the Initial Observation Date.]

[In the case of Securities with an initial average observation, the following applies:

"**K_i (initial)**" means the equally weighted average (arithmetic average) of the Reference Prices_i of the Basket Component_i determined on the Initial Observation Dates.]

[In the case of Securities with a Best-in observation, the following applies:

"**K_i (initial)**" means the highest Reference Price_i of the Basket Component_i during the Best-in Period.]

[In the case of Securities with a Worst-in observation, the following applies:

"**K_i (initial)**" means the lowest Reference Price_i of the Basket Component_i during the Worst-in Period.]

"**K_i (k)**" means the Reference Price_i of the Basket Component_i on the respective Observation Date (k).

[In the case of Securities with a final reference price observation, the following applies:

"**K_i (final)**" means the Reference Price_i of the Basket Component_i on the Final Observation Date.]

[In the case of Securities with a final average observation, the following applies:

"**K_i (final)**" means the equally weighted average (arithmetic average) of the Reference Prices_i of the Basket Component_i determined on the Final Observation Dates.]

[In the case of Securities with a Best-out observation, the following applies:

"**K_i (final)**" means the highest Reference Price_i of the Basket Component_i during the Best-out Period.]

[In the case of Securities with a Worst-out observation, the following applies:

"**K_i (final)**" means the lowest Reference Price_i of the Basket Component_i during the Worst-out Period.]

[In the case of Securities with Best-in observation, the following applies:

"**Last Day of the Best-in Period**" means the Last Day of the Best-in Period as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with Worst-in observation, the following applies:

"**Last Day of the Worst-in Period**" means the Last Day of the Worst-in Period as specified in § 1 of the Product and Underlying Data.]

"**Management Company_i**" means [the Management Company_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i specifies another person, company or institution as the Management Company_i of the Fund_i, each and every reference to the Management Company_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company_i.], in relation to a Fund_i, a person, company or institution that manages the Fund_i according to the Fund Documents_i.]

"**Market Disruption Event**" means any of the following events:

[In the case of an Underlying other than ETF the following applies:

- (a) the failure to calculate or non-publication of the calculation of the NAV_i as the result of a decision by the Management Company_i or a Fund Services Provider_i on its behalf,
- (b) the closure, conversion or insolvency of the Fund_i or other circumstances which make it impossible to determine the NAV_i, or
- (c) it is not possible to trade Fund Shares_i at the NAV_i. This also covers cases in which the Fund_i or the Management Company_i or the Fund Services Provider_i on their behalf decides to suspend the redemption or issue of the Fund Shares_i for a specified period

or to restrict the redemption or issue of the Fund Shares_i to a specified portion of the volume of the Fund_i; or to levy additional fees, or

- (d) the Fund_i or the Management Company_i redeems the Fund Shares_i in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) the suspension or restriction of trading generally on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund_i are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

[In the case of ETF as Underlying the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;
- [(d) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company;]

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material [(with exception of (d) for which the time at which the NAV is usually published should be the relevant point in time)]; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

"Maturity Date" means the Maturity Date as specified [in the "Maturity Date" column in Table [●]] in § 1 of the Product and Underlying Data.

[In the case of Garant Performance Telescope Cap Basket Securities, the following applies:

["Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"N" means the number of the Basket Components as specified in § 1 of the Product and Underlying Data.

"NAV_i" means the official net asset value (the **"Net Asset Value"**) for a Fund Share_i as published by the Fund_i or the Management Company_i or by a third person on their behalf and at which it is actually possible to redeem Fund Shares_i.

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

[In the case of Securities with an initial reference price observation with postponement of the Observation Date of all Basket Components, the following applies:

"Initial Observation Date" means the Initial Observation Date as specified in § 1 of the Product and Underlying Data. If the Initial Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day which is a Calculation Date for all Basket Components shall be the Initial Observation Date for all Basket Components.]

[In the case of Securities with an initial reference price observation with postponement of the Observation Date of all Basket Components, the following applies:

"Initial Observation Date" means the Initial Observation Date as specified in § 1 of the Product and Underlying Data. If the Initial Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for the corresponding Basket Component_i shall be the Initial Observation Date for the corresponding Basket Component_i.]

[In the case of Securities with an initial average observation and postponement of the Observation Date of all Basket Components, the following applies:

"Initial Observation Date" means each of the Initial Observation Dates specified in § 1 of the Product and Underlying Data. If an Initial Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day which is a Calculation Date for all Basket Components shall be the corresponding Initial Observation Date for all Basket Components.]

[In the case of Securities with an initial average observation and postponement of the Observation Date of the respective Basket Components, the following applies:

"Initial Observation Date" means each of the Initial Observation Dates specified in § 1 of the Product and Underlying Data. If the Initial Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for the corresponding Basket Component_i shall be the corresponding Initial Observation Date for the corresponding Basket Component_i.]

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If this day is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day which is a Calculation Date for all Basket Components shall be the Final Observation Date for all Basket Components. The Additional Amount Payment Date (k) will be postponed accordingly. Interest shall not be paid for such a postponement.

[In the case of Securities with a final reference price observation with postponement of the Observation Date of all Basket Components, the following applies:

"Final Observation Date" means the Final Observation Date as specified in § 1 of the Product and Underlying Data. If the Final Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for all Basket Components shall be the Final Observation Date for all Basket Components. The Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

[In the case of Securities with a final reference price observation with postponement of the Observation Date of the respective Basket Components, the following applies:

"Final Observation Date" means the Final Observation Date as specified in § 1 of the Product and Underlying Data. If the Final Observation Date is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for the corresponding Basket Component_i shall be the Final Observation Date for the corresponding Basket Component_i. The Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

[In the case of Securities with a final average observation with postponement of the Observation Date of all Basket Components, the following applies:

"Final Observation Date" means each of the Final Observation Dates specified in § 1 of the Product and Underlying Data. If this day is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for all Basket Components shall be the corresponding Final Observation Date for all Basket Components. If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

[In the case of Securities with a final average observation with postponement of the Observation Date of the respective Basket Components, the following applies:

"Final Observation Date" means each of the Final Observation Dates specified in § 1 of the Product and Underlying Data. If this day is not a Calculation Date for one or more Basket Components, then the immediately following Banking Day that is a Calculation Date for the corresponding Basket Component_i shall be the corresponding Final Observation Date for the corresponding Basket Component_i. The Maturity Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

"Final Participation Factor" means the Final Participation Factor as specified in § 1 of the Product and Underlying Data.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Participation Factor (final)" means the Participation Factor (final) as specified in § 1 of the Product and Underlying Data.

"Performance_i (k)" means the Performance of the Basket Component_i (k) using the following formula:

$$K_i(k) / K_i(\text{initial})$$

"Performance_i" means the Performance of the Basket Component_i, determined from the quotient of K_i (final), as the numerator, and K_i (initial), as the denominator.

"Performance of the Underlying" means the Performance of the Underlying in accordance with the following formula:

$$\text{Performance of the Underlying} = \sum_{i=1}^N (\text{Performance}_i \times W_i)$$

"Performance of the Underlying (k)" means the performance of the Underlying (k) using the following formula:

$$\text{Performance of the Underlying (k)} = \sum_{i=1}^N (\text{Performance}_i(k) \times W_i)$$

"Portfolio Manager_i" means [the Portfolio Manager_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Portfolio Manager_i of the Fund_i, each and every reference to the Portfolio Manager_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager_i]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an portfolio manager with respect to the investment activities of the Fund_i]].

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

"Redemption Amount" means the Redemption Amount as calculated or determined by the Calculation Agent pursuant to § 4 of the Special Conditions.

"Reference Price_i" means the Reference Price_i as specified in § 1 of the Product and Underlying Data.

[In the case of ETF as Underlying the following applies:

"Relevant Exchange" means the Relevant Exchange [as specified in § 2 of the Product and Underlying Data].

In the case of a material change in the market conditions at the Relevant Exchange, such as a final discontinuation of the quotation of the Underlying at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions determine another stock exchange as the Relevant Exchange (the "**Substitute Exchange**"). In this case, any reference to the Relevant Exchange in the Terms and Conditions of these Securities shall be deemed to refer to the Substitute Exchange.]

"Security Holder" means the holder of a Security.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

"Settlement Cycle" means the number of Clearance System Business Days within which settlement of subscriptions or redemptions of Fund Shares_i will customarily occur according to the rules of that Clearance System.]

"Specified Currency" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

[**"Strike"** means the Strike as specified in § 1 of the Product and Underlying Data.]

"Terms and Conditions" means these Terms and Conditions as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Underlying" means a basket consisting of the Basket Components.

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"Website[s] for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"Weighting_i (W_i)" (where $i = 1, \dots, N$) means the weighting allocated to the Basket Component_i as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with Worst-in observation, the following applies:

"Worst-in Period" means [Insert relevant day(s)] between the Initial Observation Date (inclusive) and the Last Day of the Worst-in Period (inclusive).]

[In the case of Securities with a Worst-out observation, the following applies:

"Worst-out Period" means [Insert relevant day(s)] between the First Day of the Worst-out Period (inclusive) and the Final Observation Date (inclusive).]

§ 2

Interest

- (1) The Securities do not bear interest.
- (2) *Additional Amount:* If an Income Payment Event has occurred, the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x (Performance of the Underlying (k) – Strike) x Participation Factor x 1/D (k).

[However, the Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

[In the case of Securities with an unconditional Additional Amount, the following applies:

- (2) *Additional Amount:* The corresponding Additional Amount (k) will be paid on the Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The Additional Amount (k) will be determined using the following formula:

Additional Amount (k) = Nominal Amount x (Performance of the Underlying (k) – Strike) x Participation Factor x 1/D (k).

[However, the Additional Amount (k) is not greater than the relevant Maximum Additional Amount (k).]

However, the Additional Amount (k) is not less than the relevant Minimum Additional Amount (k).]

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount equals an amount in the Specified Currency, which is calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Final Participation Factor x (Performance of the Underlying – Final Strike Level)).

However, the Redemption Amount is not less than the Minimum Amount [and not greater than the Maximum Amount].

Product Type 26: Securities linked to Basket Target Vol Strategies

[Product Type 26: In the case of Securities linked to Basket Target Vol Strategies, the following applies:

§ 1

Definitions

"**Adjustment Event**" means [each of the following events]:

[In the case of a basket consisting of shares or a depository receipts as Underlying, the following applies:

- (a) each measure taken by the company that has issued the respective Basket Component_i or by a third party, which would -due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital- of the Calculation Agent, affect the respective Basket Component_i; not only immaterially (in particular capital increase against cash contribution, issuance of Securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (c) an adjustment performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i, or
- (d) [a Hedging Disruption occurs;
- (e) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a basket consisting of indices as Underlying, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the respective Basket Component_i, that in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the respective Basket Component_i; being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component_i;
- (b) the calculation or publication of the respective Basket Component_i is finally discontinued, or replaced by another index (the "Index Replacement Event");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the respective Basket Component_i as a basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; the Issuer shall not be responsible for a termination of the license to use the respective Basket Component_i due to an economically unreasonable increase in license fees (a "License Termination Event");
- (d) [a Hedging Disruption occurs;
- (e) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- [(a)] means any changes in the Relevant Trading Conditions of the respective Basket Component_i; that lead to a situation where, as a result of the change, the changed Relevant Trading Conditions are no longer economically equivalent to the Relevant

Trading Conditions prior to the change; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) [;

- (b) a Hedging Disruption occurs].]

[In the case of a basket consisting of funds as Underlying other than ETF, the following applies:

in the reasonable discretion (§ 315 BGB) of the Calculation Agent any of the following events occurring on or after the First Trade Date:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue, redemption or transfer of Fund Shares_i are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (d) the Fund_i or the Management Company_i or Fund Services Provider_i appointed for this purpose by the Fund_i or the Management Company_i fails to publish NAV_i as scheduled or in accordance with normal practice or as specified in Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons;
- (h) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);

- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;
- (l) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
- (m) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i or (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (o) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
- (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company_i;
- (r) the Issuer loses the right to use the Fund_i as a Basket Component for the Securities;
- (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (t) no notification is given of the bases of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (u) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to

date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (v) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on NAV_i or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) NAV_i is no longer published in the Currency of the Basket Component_i;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{NAV}_i(t-p)}{\text{NAV}_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{NAV}_i(t-q)}{\text{NAV}_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i (t-k)" (with k = p, q) is the NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of [x].

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the NAV_i for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV_i between two consecutive Calculation Dates [that are also Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level for the Basket Component_i with i=1,... [Insert the respective number of the Basket Component] of [Insert the respective %] respectively.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP_i(t-p)}{BRP_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP_i(t-q)}{BRP_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP_i (t-k)" (with k = p, q) is the Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of a basket consisting of ETF as Underlying, the following applies:

"Adjustment Event" means [each of the following events]:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue or purchase, redemption or sale or transfer of Fund Shares_i are executed only partially or not at all;

- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (d) the Fund_i or the Management Company_i or a provider of fund services appointed for this purpose by the Fund_i or the Management Company_i fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in the Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) the quotation of the Underlying at the Relevant Exchange is finally ceased and no Substitute Relevant Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying;
- (i) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or of the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or of the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons;
- (j) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (k) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (l) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (m) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;
- (n) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;

- (o) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
- (p) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i or (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (q) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (r) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
- (s) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund_i or the Management Company_i;
- (t) the Issuer loses the right to use the Fund Share_i as the Underlying for the Securities;
- (u) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (v) no notification is given of the basis of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (w) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as distributions which diverge significantly from the Fund_i's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund_i's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (z) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (aa) any other event that could have a noticeable adverse effect on the NAV_i of the Fund_i or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (bb) the NAV_i is no longer published in the Underlying Currency,
- (cc) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]
- [(dd) a Hedging Disruption occurs];[.]
- [(dd)][(ee)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{NAV}_i(t-p)}{\text{NAV}_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{NAV}_i(t-q)}{\text{NAV}_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i (t-k)" (with k = p, q) is the NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"ln [x]" denotes the natural logarithm of [x].

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] [that are also Benchmark Calculation Dates] using the daily returns of the NAV_i for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV_i between two consecutive Calculation Dates [that are also Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level for the Basket Component_i with i=1,... [Insert the respective number of the Basket Component] of [Insert the respective %] respectively.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRPi(t-p)}{BRPi(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRPi(t-q)}{BRPi(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP_i (t-k)" (with k = p, q) is the Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent *[Insert number of days]* Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

[In the case of a fund as Underlying, the following applies:

"**Administrator_i**" means [the Administrator_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents;] [of the Fund]. If the Fund_i or the Management Company_i appoints another person, company or institution as the Administrator of the Fund_i, each and every reference to the Administrator_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of providing administrative services to the Fund_i.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the series as specified in § 1 of the Product and Underlying Data.

"**Auditor_i**" means [the Auditor_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents;] [of the Fund]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Auditor of the Fund_i, each and every reference to the Auditor_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor_i.]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of auditing the Fund_i in connection with the annual report.]]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("**TARGET2**") are open for business]]is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"**Banking Day Financial Centre**" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"Basket Component_i," means the respective [share][index][commodity][Fund Share_i] as specified in § 1 of the Product and Underlying Data (and collectively the **"Basket Components"**).

"Basket Volatility" means the Basket Volatility as calculated by the Calculation Agent pursuant to § 4 (4) of the Special Conditions.

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price_i for all Basket Components is normally published by the [respective Relevant Exchange_i][respective Index Sponsor_i or the respective Index Calculation Agent_i][respective Reference Market_i][respective Fund_i or of the respective Management Company_i].

"Change in Law" means that due to

- (a) the adoption of or any changes in laws or regulations (including but not limited to tax laws or capital market regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

in the reasonable discretion (§ 315 BGB) of the Issuer

- [(a)] the holding, acquisition or sale of the Underlying or 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),]

if such changes become effective on or after the First Trade Date of the Securities.]

[In the case of Securities with CBF as Clearing System, the following applies:

"Clearing System" means Clearstream Banking AG, Frankfurt am Main ("CBF").]

[In the case of Securities with 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**").]

[In the case of Securities with another Clearing System, the following applies:

"Clearing System" means [Insert other Clearing System(s)].]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle:

"Clearance System" means the principal domestic clearance system customarily used for settling [trades with respect to the [respective Basket Component_i] [securities that form the basis of the respective Basket Component_i] as determined] [subscriptions or redemptions of Fund Shares, and specified] by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which the Clearance System is open for the acceptance and execution of settlement instructions.]

"Commodity Conversion Event" means each of the following events:

- (a) no suitable Replacement Reference Market is available or could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occurs;

- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i [;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].]

"**Conversion Event**" means [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event] [Fund Conversion Event].

"**Currency of the Basket Component_i**" means the Currency of the Basket Component_i as specified in § 2 of the Product and Underlying Data.

"**Custodian Bank_i**" means [the Custodian Bank_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Custodian Bank of the Fund_i, each and every reference to the Custodian Bank_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank.]], in relation to a Fund_i, a person, company or institution acting as custodian of the Fund_i's assets according to the Fund Documents_i].]

"**Days_{t-1,t}**" means the number of calendar days from and including Calculation Date_{t-1} to but excluding Calculation Date_t.

"**Determining Futures Exchange_i**" means the futures exchange, on which respective derivatives of the respective Basket Component_i [or – if derivatives on the respective Basket Component_i are not traded – its components] (the "**Derivatives**") are traded, and as determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such Derivative's number or liquidity.

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the respective Basket Component_i [or to its components] at the Determining Futures Exchange_i or a considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange_i (the "**Substitute Futures Exchange_i**"). In this case, any reference in the Terms and Conditions of these Securities to the Determining Futures Exchange_i, shall be deemed to refer to the Substitute Futures Exchange_i.]

"**Designated Maturity**" means the Designated Maturity as specified in § 1 of the Product and Underlying Data.

"**Dynamic Weight_t (DW_t)**" means the Dynamic Weight with respect to Calculation Date_t as calculated by the Calculation Agent pursuant to § 4 (3) of the Special Conditions.

"**Dynamic Weight_{t-1} (DW_{t-1})**" means the Dynamic Weight on the Calculation Date immediately preceding Calculation Date_t.

[In the case of a basket consisting of ETF as Underlying the following applies:

"**Exchange Traded Fund**" means a Fund specified as Exchange Traded Fund in § 2 of the Product and Underlying Data.]

"**Exercise Date**" means the [last] Final Observation Date.

"**Fee_{Basket} (Fee_{Basket})**" means the Fee_{Basket} as specified in § 1 of the Product and Underlying Data.]

"**Fee_{Rate} (Fee_{Rate})**" means the Fee_{Rate} as specified in § 1 of the Product and Underlying Data.]

"**Fee_{Strat} (Fee_{Strat})**" means the Fee_{Strat} as specified in § 1 of the Product and Underlying Data.]

"**Fee_{TVL} (Fee_{TVL})**" means the Fee_{TVL} as specified in § 1 of the Product and Underlying Data.]

"Final Strategy Calculation Date" means the [last] Final Observation Date.

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level as specified in § 1 of the Product and Underlying Data.

[In the case of a basket of funds as Underlying, the following applies:

"Fund_i" means, in relation to a Fund Share_i, the investment fund issuing that Fund Share_i or the fund in whose assets the Fund Share_i represents a proportional interest.

"Fund Conversion Event" means each of the following events:

[(a) no Replacement Basket Component is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);]

[(a)][(b)] no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

[(b)][(c)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s] [;

[(c)][(d)] an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a **"Fund Replacement Event"**); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);].

"Fund Documents_i" means, in relation to a Fund_i, in each case, if available and in the respective valid version: the annual report, the half-yearly report[, the interim reports], the sales prospectus, the terms and conditions of the Fund_i, as well as, if applicable, the articles of association, the key investor information document and all other documents of the Fund_i in which the terms and conditions of the Fund_i and of the Fund Shares_i are specified.

"Fund Management_i" means the persons responsible for the portfolio and/or the risk management of the Fund_i.

"Fund Services Provider_i" means, if available, the Administrator_i, the Investment Adviser_i, the Custodian Bank_i, the Management Company_i, the Portfolio Manager_i and the Auditor_i.

"Fund Share_i" means a unit or share of the Fund_i and of the class set out in the "Basket Component_i;" column in § 1 of the Product and Underlying Data.]

"Hedging Disruption" means that the Issuer is not able, under conditions which are substantially the same in financial terms as those applying on the First Trade Date for the Securities, to

(a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

"Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenses and fees (with the exception of broker fees) compared to the First Trade Date in order to

(a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB). Cost increases due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

[In the case of a basket consisting of indices as Underlying, the following applies:

"Index Calculation Agent_i" means the Index Calculation Agent_i as specified in § 2 of the Product and Underlying Data.]

"Index Conversion Event" means each of the following events:

- (a) no suitable Replacement Basket Component is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occurs;
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i [;
- (d) no suitable substitute for the respective Index Sponsor_i and/or the respective Index Calculation Agent_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)[;
- (e) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

"Index Sponsor_i" means the Index Sponsor_i as specified in § 2 of the Product and Underlying Data.

"Index Component" means, in relation to the Underlying, an asset or a reference value which is incorporated in the calculation of the Underlying at the relevant time.]

"Initial Strategy Calculation Date" means the [first] Initial Observation Date.

[In the case of a basket consisting of funds as Underlying, the following applies:

"Investment Adviser_i" means [the Investment Adviser_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Investment Adviser_i of the Fund_i, each and every reference to the Investment Adviser_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an adviser with respect to the investment activities of the Fund_i.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

[In the case of an Issuing Agent, the following applies:

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"j" means an integer number representing each number from and including the number 1 to and including the VOP.

"k" means an integer number representing each number from and including the number 1 to and including the VOP.

"Ln ()" means the natural logarithm of the base in brackets.

"K_i (t)" means the Reference Price_i with respect to the Calculation Date.

"K_i (t-1)" means the Reference Price_i with respect to the Calculation Date immediately preceding the Calculation Date.

"Level of the Target Vol Strategy" means the Level of the Target Vol Strategy as specified or calculated by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

"Level of the Target Vol Strategy_t (TVL_t)" means the Level of the Target Vol Strategy on the Calculation Date_t.

"Level of the Target Vol Strategy_{t-1} (TVL_{t-1})" means the Level of the Target Vol Strategy on the Calculation Date immediately preceding Calculation Date_t.

[In the case of a basket consisting of funds as Underlying, the following applies:

"Management Company_i" means [the Management Company_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i specifies another person, company or institution as the Management Company_i of the Fund_i, each and every reference to the Management Company_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company_i], in relation to a Fund_i, a person, company or institution that manages the Fund_i according to the Fund Documents_i.]

"Market Disruption Event" means each of the following events:

[In the case of a basket consisting of shares or depository receipts as Underlying, the following applies:

- (a) the failure of the respective Relevant Exchange_i to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the respective Basket Component_i on the respective Relevant Exchange_i;
- (c) in general the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the respective Determining Futures Exchange_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point in time of the normal calculation and is material in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of indices as Underlying, the following applies

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the [securities][underlyings] that form the basis of the respective Basket Component_i are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the respective Basket Component_i are listed or traded;
- (b) in relation to individual [securities][underlyings] which form the basis of respective Basket Component_i, the suspension or restriction of trading on the exchanges or on the markets on which such [securities][underlyings] are traded or on the respective futures exchange or the markets on which derivatives of such [securities][underlyings] are traded;
- (c) in relation to individual Derivatives of the respective Basket Component_i, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the respective Basket Component_i as a result of a decision by the Index Sponsor_i or the Index Calculation Agent_i;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point in time of the normal calculation and is material in the

reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB)]. Any restriction of the trading hours or the number of days on which trading takes place on the respective [Relevant Exchange;][Reference Market;] or, as the case may be, the Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the [Relevant Exchange;][Reference Market;] or, as the case may be, the Determining Futures Exchange_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the respective Basket Component_i on the Reference Market_i; or
- (b) the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the Determining Futures Exchange_i

to the extent that such Market Disruption Event is material in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market_i; or, as the case may be, the respective Determining Futures Exchange_i shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Reference Market_i; or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of funds as Underlying other than ETF, the following applies:

- (a) the failure to calculate or the non-publication of the calculation of the NAV_i; as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company,
- (b) the closure, conversion or insolvency of the Fund_i; or other circumstances which make it impossible to determine the NAV_i; or
- (c) it is not possible to trade Fund Shares_i at the NAV_i. This also covers cases in which the Fund_i; or the Management Company_i; or the Fund Services Provider on their behalf decides to suspend the redemption or issue of the Fund Shares_i for a specified period or to restrict the redemption or issue of the Fund Shares_i to a specified portion of the volume of the Fund_i; or to levy additional fees, or
- (d) the Fund_i; or the Management Company_i; redeems the Fund Shares_i in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund_i; are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

[In the case of a basket consisting of ETF as Underlying, the following applies:

- (a) the failure of the Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Underlying on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying on the Determining Futures Exchange;

[(d) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company;]

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price which is relevant for the Securities and continues at the point in time of the normal calculation and is material [(with exception of (d) for which the time at which the NAV is usually published should be the relevant point in time)]; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB). Any restriction of the trading hours or the number of days on which trading takes place on the Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.]

"Maturity Date" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

"Maximum Weight" means the Maximum Weight as specified in § 1 of the Product and Underlying Data.

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"Minimum Weight" means the Minimum Weight as specified in § 1 of the Product and Underlying Data.

"N" means the number of the Basket Components as specified in § 1 of the Product and Underlying Data.

[In the case of a basket consisting of funds as Underlying, the following applies:

"NAV_i" means the official net asset value (the **"Net Asset Value"**) for a Fund Share_i as published by the Fund_i or the Management Company_i or by a third person on their behalf and at which it is actually possible to redeem the Fund Shares_i.]

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] specified in § 1 of the Product and Underlying Data. If [the] [an] Initial Observation Date is not a Calculation Date for one or some of the Basket Components, the immediately following Banking Day which is a Calculation Date shall be the [respective] Initial Observation Date for all Basket Components.]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] specified in § 1 of the Product and Underlying Data. If [the] [a] Final Observation Date is not a Calculation Date for one or some of the Basket Components, the immediately following Banking Day which is a Calculation Date shall be the [respective] Final Observation Date for all Basket Components. [If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed accordingly.] No interest is due because of such postponement.]

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Performance of the Basket Component_{i,t}" means the Performance of the Basket Component_i, calculated by the Calculation Agent with respect to the Calculation Date_t, as the quotient of $K_i(t)$, as the numerator, and $K_i(t-1)$, as the denominator.

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

[In the case of a basket consisting of funds as Underlying, the following applies:

"Portfolio Manager_i:" means [the Portfolio Manager_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i].] If the Fund_i or the Management Company_i specifies another person, company or institution as the Portfolio Manager_i of the Fund_i, each and every reference to the Portfolio Manager_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager_i.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an portfolio manager with respect to the investment activities of the Fund_i.]]

[In the case of Securities with final Reference Price observation, the following applies:]

"R (final)" means the Level of the Target Vol Strategy on the Final Observation Date.]

[In the case of Securities with final average observation, the following applies:]

"R (final)" means the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy on the Final Observation Dates.]

[In the case of Securities where R (initial) has already been specified, the following applies:]

"R (initial)" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:]

"R (initial)" means the Level of the Target Vol Strategy on the Initial Observation Date.]

[In the case of Securities with initial average observation, the following applies:]

"R (initial)" means the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy on the Initial Observation Dates.]

"Rate_{t-1}" means the Reference Rate determined on the Reference Rate Reset Date with respect to the Calculation Date immediately preceding Calculation Date_t.

"Redemption Amount" means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

"Reference Market_i" means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

"Reference Price_i" means the Reference Price_i as specified in § 1 of the Product and Underlying Data.

"Reference Rate" means the offered rate (expressed as a percentage per annum) for deposits in [the Specified Currency] [*Insert other currency*] with the corresponding Designated Maturity displayed on the Screen Page around [*insert time*] on the relevant Reference Rate Reset Date. If either the Screen Page is not available or no such offered rate is displayed at the time specified, then the Calculation Agent shall determine another Reuters or Bloomberg page in its reasonable discretion (§ 315 BGB), where a comparable offered rate (expressed as a percentage per annum) is displayed or determine such comparable offered rate by reference to such sources as it may select in its reasonable discretion (§ 315 BGB) in respect of such date. Such determinations will be published by means of a notice given in accordance with § 6 of the General Conditions.

"Reference Rate Reset Date" means the [[*insert number of days*] Calculation Date immediately preceding the] Calculation Date_t.

"Relevant Exchange_i" means the [respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component_i are traded, as determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such components' liquidity.]

In the case of a material change in the market conditions at the [respective] Relevant Exchange_i, such as a final discontinuation of the quotation of the respective Basket Component_i [or, respectively its components] at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the

Calculation Agent will in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions determine another stock exchange as the Relevant Exchange (the "**Substitute Exchange**"). In the event of such a substitution, any reference in the Terms and Conditions of these Securities to the respective Relevant Exchange_i shall be deemed to refer to the respective Substitute Exchange.]

"**Return of Basket_t**" means the Return of Basket_t as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

$$\text{Return of Basket}_t = \sum_{i=1}^N (\text{Performance of the Basket Component}_{i,t} \times W_i) - 1$$

"**Return of Basket_{t-VOP-Offset+j}**" means the Return of Basket as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+j Calculation Dates prior to the respective Calculation Date_t.

"**Return of Basket_{t-VOP-Offset+k}**" means the Return of Basket as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+k Calculation Dates prior to the respective Calculation Date_t.

"**Screen Page**" means the Screen Page and, if applicable, the corresponding heading as indicated in § 1 of the Product and Underlying Data.

"**Security Holder**" means the holder of a Security.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:]

"**Settlement Cycle**" means the number of Clearance System Business Days within which the settlement of subscriptions or redemptions of Fund Shares will customarily occur according to the rules of the Clearance System.]

["**Share Conversion Event**" means each of the following events:

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].]

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Strike**" means the Strike as specified in § 1 of the Product and Underlying Data.

"**Target Volatility**" means the Target Volatility as specified in § 1 of the Product and Underlying Data.

"**Terms and Conditions**" means these Terms and Conditions as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means a basket (the "**Basket**") consisting of the Basket Components.

"**Volatility Observation Period (VOP)**" means the Volatility Observation Period as specified in § 1 of the Product and Underlying Data.

"**Volatility Observation Period Offset (Offset)**" means the Volatility Observation Period Offset as specified in § 1 of the Product and Underlying Data.

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"Website[s] for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"Weighting; (W_i)" means the weighting allocated to the Basket Component_i as specified in § 1 of the Product and Underlying Data.

§ 2

Interest

The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Basket Volatility

- (1) *Redemption Amount:* The Redemption Amount equals an amount in the Specified Currency, which is calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (R (final) / R (initial) – Strike)).

However, the Redemption Amount is not less than the Minimum Amount.

- (2) *Level of the Target Vol Strategy:* On the Initial Strategy Calculation Date, the Level of the Target Vol Strategy (= TVL_{Initial}) shall be defined as follows:

$$\text{TVL}_{\text{Initial}} = 100$$

The Level of the Target Vol Strategy on each Calculation Date_t (= TVL_t) from but excluding the Initial Strategy Calculation Date to and including the Final Strategy Calculation Date shall be determined by the Calculation Agent in accordance with the following formula:

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 + \text{DW}_{t-1} \times \text{Return of Basket}_t + (1 - \text{DW}_{t-1}) \times \text{Rate}_{t-1} \times \text{Days}_{t-1,t} / 360)]$$

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 + \text{DW}_{t-1} \times \text{Return of Basket}_t + (1 - \text{DW}_{t-1}) \times (\text{Rate}_{t-1} - \text{Fee}_{\text{Rate}}) \times \text{Days}_{t-1,t} / 360)]$$

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 - \text{Fee}_{\text{TVL}} \times \text{Days}_{t-1,t} / 360 + \text{DW}_{t-1} \times \text{Return of Basket}_t + (1 - \text{DW}_{t-1}) \times \text{Rate}_{t-1} \times \text{Days}_{t-1,t} / 360)]$$

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 + \text{DW}_{t-1} \times \text{Return of Basket}_t + (1 - \text{DW}_{t-1}) \times \text{Rate}_{t-1} \times \text{Days}_{t-1,t} / 360 - \text{Fee}_{\text{Strat}} \times \text{Days}_{t-1,t} / 360)]$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad - Fee_{TVL} \times Days_{t-1,t} / 360 \\
& \quad + DW_{t-1} \times \text{Return of Basket}_t \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360)]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad + DW_{t-1} \times \text{Return of Basket}_t \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360) \\
& \quad - Fee_{Strat} \times Days_{t-1,t} / 360]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad + DW_{t-1} \times (\text{Return of Basket}_t - Fee_{Basket} \times Days_{t-1,t} / 360) \\
& \quad + (1 - DW_{t-1}) \times Rate_{t-1} \times Days_{t-1,t} / 360)]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad + DW_{t-1} \times (\text{Return of Basket}_t - Fee_{Basket} \times Days_{t-1,t} / 360) \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360)]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad - Fee_{TVL} \times Days_{t-1,t} / 360 \\
& \quad + DW_{t-1} \times (\text{Return of Basket}_t - Fee_{Basket} \times Days_{t-1,t} / 360) \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360)]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad + DW_{t-1} \times (\text{Return of Basket}_t - Fee_{Basket} \times Days_{t-1,t} / 360) \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360) \\
& \quad - Fee_{Strat} \times Days_{t-1,t} / 360]
\end{aligned}$$

$$\begin{aligned}
& [TVL_t = TVL_{t-1} \times (1 \\
& \quad - Fee_{TVL} \times Days_{t-1,t} / 360 \\
& \quad + DW_{t-1} \times (\text{Return of Basket}_t - Fee_{Basket} \times Days_{t-1,t} / 360) \\
& \quad + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{Rate}) \times Days_{t-1,t} / 360) \\
& \quad - Fee_{Strat} \times Days_{t-1,t} / 360]
\end{aligned}$$

This means: The Level of the Target Vol Strategy on each Calculation Date_t will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with respect to the Calculation Date immediately preceding Calculation Date_t and (b) the sum of (i) one, (ii) the dynamically weighted Return of the Basket with respect to the Calculation Date_t, and (iii) the dynamically weighted daily fraction (Act/360) of the Reference Rate. [The calculation takes into account [the Fee_{TVL}] [,] [and] [the Fee_{Basket}] [,] [and] [the Fee_{Rate}] [and] [the Fee_{Strat}] by way of deduction.]

- (3) *Dynamic Weight*: The Calculation Agent shall determine the Dynamic Weight on each Calculation Date_t (= DW_t) from and including the Initial Strategy Calculation Date as follows:

$$DW_t = \frac{\text{Target Volatility}}{\text{Basket Volatility}_t}$$

However, DW_t is not less than the Minimum Weight and not greater than the Maximum Weight.

- (4) *Basket Volatility*: The Calculation Agent shall determine the Basket Volatility_t in respect of the Volatility Observation Period on each Calculation Date_t from and including the Initial Strategy Calculation Date in accordance with the following formula:

Basket Volatility_t

$$= \sqrt{\frac{1}{VOP - 1} \times \sum_{j=1}^{VOP} (\text{LnBasketPerformance}_{t-VOP-Offset+j} - \text{LnAverageBasketPerformance}_{t-Offset})^2} \times \sqrt{252}$$

Where:

$\text{LnBasketPerformance}_{t-VOP-Offset+j}$ means $\text{Ln}(1 + \text{Return of Basket}_{t-VOP-Offset+j})$

$\text{LnAverageBasketPerformance}_{t-Offset}$ means $\frac{1}{VOP} \times \sum_{k=1}^{VOP} \text{Ln}(1 + \text{Return of Basket}_{t-VOP-Offset+k})$

Product Type 27: Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out

[Product Type 27: In the case of Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out, the following applies:]

§ 1

Definitions

"Adjustment Event" means [each of the following events]:

- (a) changes are made in one of the Fund Documents without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (b) requests for the issue, redemption or transfer of Fund Shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (d) the Fund or the Management Company or Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish NAV as scheduled or in accordance with normal practice or as specified in Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund; or the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons;
- (h) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund (as defined in the Fund Documents) that is material, or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the

- conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares outstanding;
 - (l) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
 - (m) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (o) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
 - (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
 - (r) the Issuer loses the right to use the Fund as an Underlying of the Securities;
 - (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)
 - (t) no notification is given of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
 - (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as

distributions which diverge significantly from the Fund's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (v) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on NAV or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) NAV is no longer published in the Currency of the Underlying;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s] [(each a "**Fund Replacement Event**")];[.]

[(bb) a Hedging Disruption occurs];[.]

[(bb)][(cc)] [the historic volatility of the Underlying exceeds a volatility level of [Insert]%.] [the historic volatility of the Underlying exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV (t-k)" (with k = p, q) is the NAV of the Underlying on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the Underlying for the most recent

[Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV between two consecutive Calculation Dates [that are also Benchmark Calculation Dates] in each case. The respective volatility determined using this method may not exceed a volatility level of [Insert]%.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP(t-p)}{BRP(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP(t-q)}{BRP(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.]

"**Administrator**" means [the Administrator; [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents;] [of the Fund]. If the Fund or the Management Company appoints another person, company or institution as the Administrator of the Fund each and every reference to the Administrator in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of providing administrative services to the Fund_i.]]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the series as specified in § 1 of the Product and Underlying Data.

"**Auditor**" means [the Auditor [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Auditor of the Fund, each and every reference to the Auditor in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Auditor.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report.]]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("**TARGET2**") are open for business]]is open for business and

commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"Banking Day Financial Centre" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"Underlying" means the Fund Share as specified in § 1 of the Product and Underlying Data.

"Underlying Volatility" means the Underlying Volatility as calculated by the Calculation Agent pursuant to § 4 (4) of the Special Conditions.

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price for the Underlying is normally published by the respective Fund or of the respective Management Company.

"Change in Law" means that due to

- (a) the adoption of or any changes in laws or regulations (including but not limited to tax laws or capital market regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

in the reasonable discretion (§ 315 et seq. BGB) of the Issuer

[(a)] the holding, acquisition or sale of the Underlying or 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),]

if such changes become effective on or after the First Trade Date of the Securities.

[In the case of Securities with CBF as Clearing System, the following applies:

"Clearing System" means Clearstream Banking AG, Frankfurt am Main ("CBF").]

[In the case of Securities with 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**").]

[In the case of Securities with another Clearing System, the following applies:

"Clearing System" means [Insert other Clearing System(s)].]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle:

"Clearance System" means the principal domestic clearance system customarily used for settling subscriptions or redemptions of Fund Shares; such system shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which the Clearance System is open for the acceptance and execution of settlement instructions.]

"Conversion Event" means Fund Conversion Event.

"Currency of the Underlying" means the Currency of the Underlying as specified in § 2 of the Product and Underlying Data.

"Custodian Bank" means [the Custodian Bank [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents,] [of the Fund]. If the Fund or the

Management Company specifies another person, company or institution as the Custodian Bank of the Fund, each and every reference to the Custodian Bank in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank.]], in relation to a Fund, a person, company or institution acting as custodian of the Fund's assets according to the Fund Documents].]

"**Days_{t-1,t}**" means the number of calendar days from and including Calculation Date_{t-1} to but excluding Calculation Date_t.

"**Designated Maturity**" means the Designated Maturity as specified in § 1 of the Product and Underlying Data.

"**Dynamic Weight_t (DW_t)**" means the Dynamic Weight with respect to Calculation Date_t as calculated by the Calculation Agent pursuant to § 4 (3) of the Special Conditions.

"**Dynamic Weight_{t-1} (DW_{t-1})**" means the Dynamic Weight on the Calculation Date immediately preceding Calculation Date_t.

"**Exercise Date**" means the Final Observation Date.

"**Fee_{Underlying} (Fee_{Underlying})**" means the Fee_{Underlying} as specified in § 1 of the Product and Underlying Data.]

"**Fee_{RateVariable} (Fee_{RateVariable})**" means the Fee_{RateVariable} as specified in § 1 of the Product and Underlying Data. The Calculation Agent has the right to increase or decrease the Fee_{RateVariable} in its reasonable discretion (§ 315 BGB) within the Maximum Permissible Value Range for Fee_{RateVariable} as specified in § 1 of the Product and Underlying Data.

"**Fee_{RateVariable,t-1}**" means the Fee_{RateVariable} applicable on the Calculation Date_{t-1}.]

"**Fee_{StratFix} (Fee_{StratFix})**" means the Fee_{StratFix} as specified in § 1 of the Product and Underlying Data.]

"**Fee_{StratVariable} (Fee_{StratVariable})**" means the Fee_{StratVariable} as specified in § 1 of the Product and Underlying Data. The Calculation Agent has the right to increase or decrease the Fee_{StratVariable} in its reasonable discretion (§ 315 BGB) within the Maximum Permissible Value Range for Fee_{StratVariable} as specified in § 1 of the Product and Underlying Data.

"**Fee_{StratVariable,t-1}**" means the Fee_{StratVariable} applicable on the Calculation Date_{t-1}.]

"**Fee_{TVL} (Fee_{TVL})**" means the Fee_{TVL} as specified in § 1 of the Product and Underlying Data.]

"**Final Strategy Calculation Date**" means the Final Observation Date.

"**First Trade Date**" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"**Floor Level**" means the Floor Level as specified in § 1 of the Product and Underlying Data.

"**Fund**" means, in relation to a Fund Share, the investment fund issuing that Fund Share or the fund in whose assets the Fund Share represents a proportional interest.

"**Fund Conversion Event**" means each of the following events:

[(a) no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);]

[(a)][(b)] no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);]

[(b)][(c)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s] [;

[(c)][(d)] an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a "**Fund Replacement Event**"); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"Fund Documents" means, in relation to a Fund, in each case, if available and in the respective valid version: the annual report, the half-yearly report[, the interim reports], the sales prospectus, the terms and conditions of the Fund, as well as, if applicable, the articles of association, the key investor information document and all other documents of the Fund in which the terms and conditions of the Fund and of the Fund Shares_i are specified.

"Fund Management" means the persons responsible for the portfolio and/or the risk management of the Fund.

"Fund Services Provider" means, if available, the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor.

"Fund Share" means a unit or share of the Fund and of the class set out in the "Underlying" column in § 1 of the Product and Underlying Data.

["Hedging Disruption" means that the Issuer is not able, under conditions which are substantially the same in financial terms as those applying on the First Trade Date for the Securities, to

(a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets;

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB)]

["Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenses and fees (with the exception of broker fees) compared to the First Trade Date in order to

(a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB). Cost increases due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

"Initial Strategy Calculation Date" means the [first] Initial Observation Date.

"Investment Adviser" means [the Investment Adviser [specified in § 2 of the Product and Underlying Data][as specified in the Fund Documents] [of the Fund]_i. If the Fund or the Management Company specifies another person, company or institution as the Investment Adviser of the Fund each and every reference to the Investment Adviser_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.], in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an adviser with respect to the investment activities of the Fund].]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

[In the case of an Issuing Agent, the following applies:

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"j" means an integer number representing each number from and including the number 1 to and including the VOP.

"k" means an integer number representing each number from and including the number 1 to and including the VOP.

"K (t)" means the Reference Price with respect to the Calculation Date_t.

"**K (t-1)**" means the Reference Price with respect to the Calculation Date immediately preceding the Calculation Date_t.

"**L**" means the number of Observation Dates (1).

"**Level of the Target Vol Strategy**" means the Level of the Target Vol Strategy as specified or calculated by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

"**Level of the Target Vol Strategy_t (TVL_t)**" means the Level of the Target Vol Strategy on the Calculation Date_t.

"**Level of the Target Vol Strategy_{t-1} (TVL_{t-1})**" means the Level of the Target Vol Strategy on the Calculation Date immediately preceding Calculation Date_t.

"**Ln ()**" means the natural logarithm of the base in brackets.

["**Local Cap (l)**" means the Local Cap (l) as specified in § 1 of the Product and Underlying Data with respect to the Observation Date (l).]

"**Local Floor (l)**" means the Local Floor (l) as specified in § 1 of the Product and Underlying Data with respect to the Observation Date (l).

"**Management Company**" means [the Management Company [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund specifies another person, company or institution as the Management Company of the Fund, each and every reference to the Management Company in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company.], in relation to a Fund, a person, company or institution that manages the Fund according to the Fund Documents.]

"**Market Disruption Event**" means each of the following events:

- (a) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company,
- (b) the closure, conversion or insolvency of the Fund or other circumstances which make it impossible to determine the NAV, or
- (c) it is not possible to trade Fund Shares, at the NAV. This also covers cases in which the Fund or the Management Company or the Fund Services Provider on their behalf decides to suspend the redemption or issue of the Fund Shares for a specified period or to restrict the redemption or issue of the Fund Shares to a specified portion of the volume of the Fund or to levy additional fees, or
- (d) the Fund or the Management Company redeems the Fund Shares in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"**Maturity Date**" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

["**Maximum Amount**" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"**Maximum Weight**" means the Maximum Weight as specified in § 1 of the Product and Underlying Data.

"**Minimum Amount**" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"**Minimum Weight**" means the Minimum Weight as specified in § 1 of the Product and Underlying Data.

"**Modified Average Performance**" means the Modified Average Performance as calculated by the Calculation Agent in accordance with the following formula:

[

$$\frac{1}{L} \times \sum_{l=1}^L \min \left(\text{Local Cap}(l), \max \left(\text{Local Floor}(l), \frac{R(l)}{R(\text{initial})} \right) \right)$$

]

[

$$\frac{1}{L} \times \sum_{l=1}^L \max \left(\text{Local Floor}(l), \frac{R(l)}{R(\text{initial})} \right)$$

]

"**NAV**" means the official net asset value (the "**Net Asset Value**") for a Fund Share as published by the Fund or the Management Company or by a third person on their behalf and at which it is actually possible to redeem the Fund Shares.

"**Nominal Amount**" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"**Observation Date**" means each of the following Observation Dates:

"**Initial Observation Date**" means the Initial Observation Date specified in § 1 of the Product and Underlying Data. If the Initial Observation Date is not a Calculation Date for the Underlying, the immediately following Banking Day which is a Calculation Date shall be the Initial Observation Date for the Underlying.]

"**Observation Date (l)**" means the Observation Date (l) specified in § 1 of the Product and Underlying Data. If an Observation Date (l) is not a Calculation Date the immediately following Banking Day, which is a Calculation Date shall be the respective Observation Date (l).

"**Final Observation Date**" means [last] Observation Date (l). If the Final Observation Date is not a Calculation Date, the immediately following Banking Day which is a Calculation Date shall be the Final Observation Date. [If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed accordingly.] No interest is due because of such postponement.

"**Participation Factor**" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"**Performance of the Underlying_t**" means the Performance of the Underlying, calculated by the Calculation Agent with respect to the Calculation Date_t, as the quotient of K (t), as the numerator, and K (t-1), as the denominator.

"**Principal Paying Agent**" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

"**Portfolio Manager**" means [the Portfolio Manager [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents] [of the Fund]. If the Fund or the Management Company specifies another person, company or institution as the Portfolio Manager of the Fund, each and every reference to the Portfolio Manager in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager.]], in relation to a Fund, a person, company or institution appointed according to the Fund Documents as an portfolio manager with respect to the investment activities of the Fund.]]

[In the case of Securities where R (initial) has already been specified, the following applies:

"**R (initial)**" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:

"**R (initial)**" means the Level of the Target Vol Strategy on the Initial Observation Date.]

"**R (I)**" means the Level of the Target Vol Strategy on the Observation Date (I).

"**Rate_{t-1}**" means the Reference Rate determined on the Reference Rate Reset Date with respect to the Calculation Date immediately preceding Calculation Date_t.

"**Redemption Amount**" means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

"**Reference Price**" means the Reference Price as specified in § 1 of the Product and Underlying Data.

"**Reference Rate**" means the offered rate (expressed as a percentage per annum) for deposits in [the Specified Currency] [*Insert other currency*] with the corresponding Designated Maturity displayed on the Screen Page around [*insert time*] on the relevant Reference Rate Reset Date. If either the Screen Page is not available or no such offered rate is displayed at the time specified, then the Calculation Agent shall determine another Reuters or Bloomberg page in its reasonable discretion (§ 315 BGB), where a comparable offered rate (expressed as a percentage per annum) is displayed or determine such comparable offered rate by reference to such sources as it may select in its reasonable discretion (§ 315 BGB) in respect of such date. Such determinations will be published by means of a notice given in accordance with § 6 of the General Conditions.

"**Reference Rate Reset Date**" means the [*insert number of days*] Calculation Date immediately preceding the] Calculation Date_t.

"**Return of Underlying_t**" means the Return of Underlying_t as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula

$$\text{Return of Underlying}_t = \text{Performance of the Underlying} - 1$$

"**Return of Underlying_{t-VOP-Offset+j}**" means the Return of Underlying as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+j Calculation Dates prior to the respective Calculation Date_t.

"**Return of Underlying_{t-VOP-Offset+k}**" means the Return of Underlying as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+k Calculation Dates prior to the respective Calculation Date_t.

"**Screen Page**" means the Screen Page and, if applicable, the corresponding heading as indicated in § 1 of the Product and Underlying Data.

"**Security Holder**" means the holder of a Security.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

"**Settlement Cycle**" means the number of Clearance System Business Days within which the settlement of subscriptions or redemptions of Fund Shares will customarily occur according to the rules of the Clearance System.]

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Strike**" means the Strike as specified in § 1 of the Product and Underlying Data.

"**Target Volatility**" means the Target Volatility as specified in § 1 of the Product and Underlying Data.

"Terms and Conditions" means these Terms and Conditions as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Volatility Observation Period (VOP)" means the Volatility Observation Period as specified in § 1 of the Product and Underlying Data.

"Volatility Observation Period Offset (Offset)" means the Volatility Observation Period Offset as specified in § 1 of the Product and Underlying Data.

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"Website[s] for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

§ 2

Interest

The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Underlying Volatility

- (1) *Redemption Amount:* The Redemption Amount equals an amount in the Specified Currency, which is calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (Modified Average Performance – Strike)).

However, the Redemption Amount is not less than the Minimum Amount [and not more than the Maximum Amount].

- (2) *Level of the Target Vol Strategy:* On the Initial Strategy Calculation Date, the Level of the Target Vol Strategy (= $TVL_{Initial}$) shall be defined as follows:

$$TVL_{Initial} = 100$$

The Level of the Target Vol Strategy on each Calculation Date_t (= TVL_t) from but excluding the Initial Strategy Calculation Date to and including the Final Strategy Calculation Date shall be determined by the Calculation Agent in accordance with the following formula:

$$\begin{aligned} TVL_t = & TVL_{t-1} \times (1 \\ & - (Fee_{TVL} + Fee_{StratFix} + Fee_{StratVariable,t-1}) \times Days_{t-1,t} / 360 \\ & + DW_{t-1} \times \text{Return of Underlying}_t \\ & + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{RateVariable,t-1}) \times Days_{t-1,t} / 360) \end{aligned}$$

This means: The Level of the Target Vol Strategy on each Calculation Date_t will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with

respect to the Calculation Date immediately preceding Calculation Date_t and (b) the sum of (i) one and (ii) the dynamically weighted Return of the Underlying with respect to the Calculation Date_t and (iii) the dynamically weighted daily fraction (Act/360) of the Reference Rate. [The calculation takes into account [the Fee_{TVL}] [,] [and] [the Fee_{Underlying}] [,] [and] [the Fee_{TVL}] [,] [and] [the Fee_{StratFix}] [,] [and] [the Fee_{StratVariable}] [,] [and] [the Fee_{RateFix}] [,] [and] [the Fee_{RateVariable}] by way of deduction.]

- (3) *Dynamic Weight*: The Calculation Agent shall determine the Dynamic Weight on each Calculation Date_t (= DW_t) from and including the Initial Strategy Calculation Date as follows:

$$DW_t = \frac{\text{Target Volatility}}{\text{Underlying Volatility}_t}$$

However, DW_t is not less than the Minimum Weight and not greater than the Maximum Weight.

- (4) *Underlying Volatility*: The Calculation Agent shall determine the Underlying Volatility_t in respect of the Volatility Observation Period on each Calculation Date_t from and including the Initial Strategy Calculation Date in accordance with the following formula:

Underlying Volatility_t

$$= \sqrt{\frac{1}{\text{VOP} - 1} \times \sum_{j=1}^{\text{VOP}} (\text{LnUnderlyingPerformance}_{t-\text{VOP}-\text{Offset}+j} - \text{LnAverageUnderlyingPerformance}_{t-\text{Offset}})} \times \sqrt{252}$$

Where:

LnUnderlyingPerformance_{t-VOP-Offset+j} means Ln(1 + Return of Underlying_{t-VOP-Offset+j})

LnAverageUnderlyingPerformance_{t-Offset} means $\frac{1}{\text{VOP}} \times \sum_{k=1}^{\text{VOP}} \text{Ln}(1 + \text{Return of Underlying}_{t-\text{VOP}-\text{Offset}+k})$

Product Type 28: Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out

[Product Type 28: In the case of Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out, the following applies:

§ 1

Definitions

"Adjustment Event" means [each of the following events]:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund_i, (ii) the investment objectives or investment strategy or investment restrictions of the Fund_i, (iii) the currency of the Fund Shares_i, (iv) the method of calculating the NAV_i or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares_i;
- (b) requests for the issue, redemption or transfer of Fund Shares_i are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares_i (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (d) the Fund_i or the Management Company_i or Fund Services Provider_i appointed for this purpose by the Fund_i or the Management Company_i fails to publish NAV_i as scheduled or in accordance with normal practice or as specified in Fund Documents_i;
- (e) a change in the legal form of the Fund_i;
- (f) a change of significant individuals in key positions at the Management Company_i or in the Fund Management_i; whether this is the case shall be determined by the Calculation Agent_i in its reasonable discretion (§ 315 BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund_i or the Management Company_i; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund_i or the Management Company_i; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund_i by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund_i, the Management Company_i or a Fund Services Provider_i, or of individuals in key positions at the Management Company_i or in the Fund Management_i as a result of misconduct, a violation of the law or for similar reasons;
- (h) a breach by the Fund_i or the Management Company_i of the investment objectives, the investment strategy or the investment restrictions of the Fund_i (as defined in the Fund Documents_i) that is material in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent, or a breach of statutory or regulatory requirements by the Fund_i or the Management Company_i;
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares_i, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in the reasonable

- discretion of the Calculation Agent (§ 315 et seq. BGB) in comparison with the conditions applying on the First Trade Date;
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond [*Insert relevant percentage*]% of the Fund Shares_i outstanding;
 - (l) the Issuer is required to consolidate the Fund_i as a result of accounting or other regulations;
 - (m) the sale or redemption of the Fund Shares_i for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares_i or of the redemption of existing Fund Shares_i or (ii) the reduction of the number of Fund Shares_i of a shareholder in the Fund_i for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares_i or (iv) payments in respect of a redemption of Fund Shares_i being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (o) the Management Company_i or a Fund Services Provider_i discontinues its services for the Fund_i or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which in the reasonable discretion of the Calculation Agent (§ 315 et seq. BGB) is of similarly good standing;
 - (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund_i or the Fund Shares_i, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund_i or the merger of the Fund_i into or with another fund, (iii) a requirement to transfer all the Fund Shares_i to a trustee, liquidator, insolvency administrator or similar officeholder or (iv) the legal prohibition of transfers of the Fund Shares_i by the shareholders;
 - (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company_i;
 - (r) the Issuer loses the right to use the Fund_i as a Basket Component for the Securities;
 - (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
 - (t) no notification is given of the bases of taxation for the Fund_i in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") or the Fund_i or the Management Company_i has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
 - (u) changes in the investment or distribution policy of the Fund_i which could have a substantial negative effect on the amount of the Fund_i's distributions as well as

distributions which diverge significantly from the Fund's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

- (v) the Fund_i or the Management Company_i or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund_i in a significant respect or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (w) the Fund_i or the Management Company_i, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (x) the Fund_i or the Management Company_i fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (y) any other event that could have a noticeable adverse effect on NAV_i or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (z) NAV_i is no longer published in the Currency of the Basket Component_i;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date][at least for one Calculation Date in each calendar month] a list of the investments held by the Fund and their weighting and, if the Fund invests in other funds, the corresponding positions of the investments held by these funds and their weighting on the [next following][within five] Banking Day[s][(each a "**Fund Replacement Event**")][;][.]

[(bb) a Hedging Disruption occurs][;][.]

[(bb)][(cc)] [the historic volatility of the Basket Component_i exceeds a volatility level of [Insert]%.][the historic volatility of the Basket Component_i exceeds the historic volatility of the Benchmark on a day that is a Calculation Date and a Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV_i over the immediately preceding [Insert number of days] Calculation Dates [that are also Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV_i(t-p)}{NAV_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV_i(t-q)}{NAV_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_i (t-k)" (with k = p, q) is the NAV_i of the Basket Component_i on the k-th Calculation Date preceding the relevant Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of [x].

The degree of variation (volatility) is estimated on a relevant Calculation Date [that is also a Benchmark Calculation Date] using the daily returns of the NAV_i for the most recent [Insert number of days] Calculation Dates [that are also Benchmark Calculation Dates] and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the NAV_i between two consecutive Calculation Dates [that are also Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level for the Basket Component_i with i=1,... [Insert the respective number of the Basket Component] of [Insert the respective %] respectively.]

[The volatility of the Benchmark is calculated on any day that is a Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Benchmark over the immediately preceding [Insert number of days] Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{BRP_i(t-p)}{BRP_i(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{BRP_i(t-q)}{BRP_i(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Benchmark Reference Price on the k-th day that is a Calculation Date and a Benchmark Calculation Date preceding the relevant Benchmark Calculation Date (t);

"p" and "q" means integer numbers representing each number from and including 1 to and including P;

"ln [x]" denotes the natural logarithm of x.

The degree of variation (volatility) is estimated on any day that is a Benchmark Calculation Date and a Calculation Date using the daily returns of the Benchmark for the most recent [Insert number of days] Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Benchmark Reference Price of the Basket Component_i between two consecutive Benchmark Calculation Dates in each case.]]

[The Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred.

"**Administrator_i**," means [the Administrator_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents;] [of the Fund]. If the Fund_i or the Management Company_i appoints another person, company or institution as the Administrator of the Fund_i, each and every reference to the Administrator_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Administrator.]], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of providing administrative services to the Fund_i.]

"**Aggregate Nominal Amount**" means the Aggregate Nominal Amount of the series as specified in § 1 of the Product and Underlying Data.

"**Auditor_i**," means [the Auditor_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents;] [of the Fund]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Auditor of the Fund_i, each and every reference to the Auditor_i in these Terms and Conditions shall be deemed, depending on the

context, to refer to the new Auditor_i], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i for the purpose of auditing the Fund_i in connection with the annual report.]]

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) ("**TARGET2**") are open for business][is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"Banking Day Financial Centre" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"Basket Component_i" means the respective Fund Share_i as specified in § 1 of the Product and Underlying Data (and collectively the "**Basket Components**").

"Basket Volatility" means the Basket Volatility as calculated by the Calculation Agent pursuant to § 4 (4) of the Special Conditions.

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price_i for all Basket Components is normally published by the respective Fund_i or of the respective Management Company_i.

"Change in Law" means that due to

- (a) the adoption of or any changes in laws or regulations (including but not limited to tax laws or capital market regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

in the reasonable discretion (§ 315 et seq. BGB) of the Issuer

- [(a)] the holding, acquisition or sale of the Underlying or 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),]

if such changes become effective on or after the First Trade Date of the Securities.

[In the case of Securities with CBF as Clearing System, the following applies:

"Clearing System" means Clearstream Banking AG, Frankfurt am Main ("**CBF**").]

[In the case of Securities with 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**").]

[In the case of Securities with another Clearing System, the following applies:

"Clearing System" means [Insert other Clearing System(s)].]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle:

"Clearance System" means the principal domestic clearance system customarily used for settling subscriptions or redemptions of Fund Shares; such system determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"Clearance System Business Day" means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which the Clearance System is open for the acceptance and execution of settlement instructions.]

"Conversion Event" means Fund Conversion Event.

"Currency of the Basket Component_i" means the Currency of the Basket Component_i as specified in § 2 of the Product and Underlying Data.

"Custodian Bank_i" means [the Custodian Bank_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Custodian Bank of the Fund_i, each and every reference to the Custodian Bank_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Custodian Bank.], in relation to a Fund_i, a person, company or institution acting as custodian of the Fund_i's assets according to the Fund Documents_i.]

"Days_{t-1,t}" means the number of calendar days from and including Calculation Date_{t-1} to but excluding Calculation Date_t.

"Dynamic Weight_t (DW_t)" means the Dynamic Weight with respect to Calculation Date_t as calculated by the Calculation Agent pursuant to § 4 (3) of the Special Conditions.

"Dynamic Weight_{t-1} (DW_{t-1})" means the Dynamic Weight on the Calculation Date immediately preceding Calculation Date_t.

"Exercise Date" means the [last] Final Observation Date.

"Fee_{Basket} (Fee_{Basket})" means the Fee_{Basket} as specified in § 1 of the Product and Underlying Data.]

"Fee_{Strat} (Fee_{Strat})" means the Fee_{Strat} as specified in § 1 of the Product and Underlying Data.]

"Fee_{TVL} (Fee_{TVL})" means the Fee_{TVL} as specified in § 1 of the Product and Underlying Data.]

"Final Strategy Calculation Date" means the [last] Final Observation Date.

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

"Floor Level" means the Floor Level as specified in § 1 of the Product and Underlying Data.

"Fund_i" means, in relation to a Fund Share_i, the investment fund issuing that Fund Share_i or the fund in whose assets the Fund Share_i represents a proportional interest.

"Fund Conversion Event" means each of the following events:

[(a) no Replacement Basket Component is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);]

[(a)][(b) no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);

[(b)][(c) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s] ;

[(c)][(d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders (respectively a **"Fund Replacement Event"**); whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB)].

"Fund Documents_i" means, in relation to a Fund_i, in each case, if available and in the respective valid version: the annual report, the half-yearly report[, the interim reports], the sales prospectus, the terms and conditions of the Fund_i, as well as, if applicable, the articles of association, the key investor information document and all other documents of the Fund_i in which the terms and conditions of the Fund_i and of the Fund Shares_i are specified.

"Fund Management_i" means the persons responsible for the portfolio and/or the risk management of the Fund_i.

"Fund Services Provider_i" means, if available, the Administrator_i, the Investment Adviser_i, the Custodian Bank_i, the Management Company_i, the Portfolio Manager_i and the Auditor_i.

"Fund Share_i" means a unit or share of the Fund_i and of the class set out in the "Basket Component_i" column in § 1 of the Product and Underlying Data.

"Hedging Disruption" means that the Issuer is not able, under conditions which are substantially the same in financial terms as those applying on the First Trade Date for the Securities, to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB).]

"Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenses and fees (with the exception of broker fees) compared to the First Trade Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whether this is the case shall be determined by the Issuer in its reasonable discretion (§ 315 BGB). Costs increases due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

"Initial Strategy Calculation Date" means the [first] Initial Observation Date.

"Investment Adviser_i" means [the Investment Adviser_i [if specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Investment Adviser_i of the Fund_i, each and every reference to the Investment Adviser_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Investment Adviser.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an adviser with respect to the investment activities of the Fund_i.]

"Issue Date" means the Issue Date as specified in § 1 of the Product and Underlying Data.

[In the case of an Issuing Agent, the following applies:

"Issuing Agent" means the Issuing Agent as specified in § 1 of the Product and Underlying Data.]

"j" means an integer number representing each number from and including the number 1 to and including the VOP.

"k" means an integer number representing each number from and including the number 1 to and including the VOP.

"K_i (t)" means the Reference Price_i with respect to the Calculation Date.

"K_i (t-1)" means the Reference Price_i with respect to the Calculation Date immediately preceding the Calculation Date.

"L" means the number of Observation Dates (l).

"Level of the Target Vol Strategy" means the Level of the Target Vol Strategy as specified or calculated by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

"Level of the Target Vol Strategy_t (TVL_t)" means the Level of the Target Vol Strategy on the Calculation Date_t.

"Level of the Target Vol Strategy_{t-1} (TVL_{t-1})" means the Level of the Target Vol Strategy on the Calculation Date immediately preceding Calculation Date_t.

"Ln ()" means the natural logarithm of the base in brackets.

"Local Cap (l)" means the Local Cap (l) as specified in § 1 of the Product and Underlying Data with respect to the Observation Date (l).]

"Local Floor (l)" means the Local Floor (l) as specified in § 1 of the Product and Underlying Data with respect to the Observation Date (l).

"Management Company_i" means [the Management Company_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i specifies another person, company or institution as the Management Company_i of the Fund_i, each and every reference to the Management Company_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Management Company.]], in relation to a Fund_i, a person, company or institution that manages the Fund_i according to the Fund Documents_i.]

"Market Disruption Event" means each of the following events:

- (a) the failure to calculate or the non-publication of the calculation of the NAV_i as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company,
- (b) the closure, conversion or insolvency of the Fund_i or other circumstances which make it impossible to determine the NAV_i, or
- (c) it is not possible to trade Fund Shares_i at the NAV_i. This also covers cases in which the Fund_i or the Management Company_i or the Fund Services Provider on their behalf decides to suspend the redemption or issue of the Fund Shares_i for a specified period or to restrict the redemption or issue of the Fund Shares_i to a specified portion of the volume of the Fund_i or to levy additional fees, or
- (d) the Fund_i or the Management Company_i redeems the Fund Shares_i in return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund_i are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

"Maturity Date" means the Maturity Date as specified in § 1 of the Product and Underlying Data.

"Maximum Weight" means the Maximum Weight as specified in § 1 of the Product and Underlying Data.

"Minimum Amount" means the Minimum Amount as specified in § 1 of the Product and Underlying Data.

"Minimum Weight" means the Minimum Weight as specified in § 1 of the Product and Underlying Data.

"Modified Average Performance" means the Modified Average Performance as calculated by the Calculation Agent in accordance with the following formula:

[

$$\frac{1}{L} \times \sum_{l=1}^L \min \left(\text{Local Cap}(l), \max \left(\text{Local Floor}(l), \frac{R(l)}{R(\text{initial})} \right) \right)$$

]

[

$$\frac{1}{L} \times \sum_{l=1}^L \max \left(\text{Local Floor}(l), \frac{R(l)}{R(\text{initial})} \right)$$

]

"N" means the number of the Basket Components as specified in § 1 of the Product and Underlying Data.

"NAV_i" means the official net asset value (the "Net Asset Value") for a Fund Share_i as published by the Fund_i or the Management Company_i or by a third person on their behalf and at which it is actually possible to redeem the Fund Shares_i.

"Nominal Amount" means the Nominal Amount as specified in § 1 of the Product and Underlying Data.

"Observation Date" means each of the following Observation Dates:

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] specified in § 1 of the Product and Underlying Data. If [the] [an] Initial Observation Date is not a Calculation Date for one or some of the Basket Components, the immediately following Banking Day which is a Calculation Date shall be the [respective] Initial Observation Date for all Basket Components.]

"Observation Date (l)" means the Observation Date (l) specified in § 1 of the Product and Underlying Data. If an Observation Date (l) is not a Calculation Date the immediately following Banking Day, which is a Calculation Date shall be the respective Observation Date (l).

"Final Observation Date" means [last] Observation Date (l). If the Final Observation Date is not a Calculation Date, the immediately following Banking Day which is a Calculation Date shall be the Final Observation Date. [If the last Final Observation Date is not a Calculation Date, then the Maturity Date shall be postponed accordingly.] No interest is due because of such postponement.

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Performance of the Basket Component_{i,t}" means the Performance of the Basket Component_i, calculated by the Calculation Agent with respect to the Calculation Date_t, as the quotient of K_i (t), as the numerator, and K_i (t-1), as the denominator.

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

"Portfolio Manager_i" means [the Portfolio Manager_i [specified in § 2 of the Product and Underlying Data] [as specified in the Fund Documents_i] [of the Fund_i]. If the Fund_i or the Management Company_i specifies another person, company or institution as the Portfolio Manager_i of the Fund_i, each and every reference to the Portfolio Manager_i in these Terms and Conditions shall be deemed, depending on the context, to refer to the new Portfolio Manager_i.], in relation to a Fund_i, a person, company or institution appointed according to the Fund Documents_i as an portfolio manager with respect to the investment activities of the Fund_i.]

[In the case of Securities where R (initial) has already been specified, the following applies:

"R (initial)" means R (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:]

"**R (initial)**" means the Level of the Target Vol Strategy on the Initial Observation Date.]

"**Redemption Amount**" means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

"**Reference Price_t**" means the Reference Price_t as specified in § 1 of the Product and Underlying Data.

"**Return of Basket_t**" means the Return of Basket_t as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

$$\text{Return of Basket}_t = \sum_{i=1}^N \left(\text{Performance of the Basket Component}_{i,t} \times W_i \right) - 1$$

"**Return of Basket_{t-VOP-Offset+j}**" means the Return of Basket as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+j Calculation Dates prior to the respective Calculation Date_t.

"**Return of Basket_{t-VOP-Offset+k}**" means the Return of Basket as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+k Calculation Dates prior to the respective Calculation Date_t.

"**Screen Page**" means the Screen Page and, if applicable, the corresponding heading as indicated in § 1 of the Product and Underlying Data.

"**Security Holder**" means the holder of a Security.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:]

"**Settlement Cycle**" means the number of Clearance System Business Days within which the settlement of subscriptions or redemptions of Fund Shares will customarily occur according to the rules of the Clearance System.]

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Strike**" means the Strike as specified in § 1 of the Product and Underlying Data.

"**Target Volatility**" means the Target Volatility as specified in § 1 of the Product and Underlying Data.

"**Terms and Conditions**" means these Terms and Conditions as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means a basket (the "**Basket**") consisting of the Basket Components.

"**Volatility Observation Period (VOP)**" means the Volatility Observation Period as specified in § 1 of the Product and Underlying Data.

"**Volatility Observation Period Offset (Offset)**" means the Volatility Observation Period Offset as specified in § 1 of the Product and Underlying Data.

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

"**Website[s] for Notices**" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"**Weighting; (W_i)**" means the weighting allocated to the Basket Component_i as specified in § 1 of the Product and Underlying Data.

§ 2

Interest

The Securities do not bear interest.

§ 3

Redemption

Redemption: The Securities shall be redeemed upon automatic exercise on the Exercise Date by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.

The Securities shall be deemed automatically exercised on the Exercise Date.

§ 4

Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Basket Volatility

- (1) *Redemption Amount:* The Redemption Amount equals an amount in the Specified Currency, which is calculated or specified by the Calculation Agent as follows:

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x (Modified Average Performance – Strike)).

However, the Redemption Amount is not less than the Minimum Amount.

- (2) *Level of the Target Vol Strategy:* On the Initial Strategy Calculation Date, the Level of the Target Vol Strategy (= $TVL_{Initial}$) shall be defined as follows:

$$TVL_{Initial} = 100$$

The Level of the Target Vol Strategy on each Calculation Date_t (= TVL_t) from but excluding the Initial Strategy Calculation Date to and including the Final Strategy Calculation Date shall be determined by the Calculation Agent in accordance with the following formula:

$$\begin{aligned} TVL_t = & TVL_{t-1} \times (1 \\ & - (Fee_{TVL} + Fee_{StratFix} + Fee_{StratVariable,t-1}) \times Days_{t-1,t} / 360 \\ & + DW_{t-1} \times \text{Return of Basket}_t \\ & + (1 - DW_{t-1}) \times (Rate_{t-1} - Fee_{RateVariable,t-1}) \times Days_{t-1,t} / 360) \end{aligned}$$

This means: The Level of the Target Vol Strategy on each Calculation Date_t will be calculated by the Calculation Agent as the product of (a) the Level of the Target Vol Strategy with respect to the Calculation Date immediately preceding Calculation Date_t and (b) the sum of (i) one and (ii) the dynamically weighted Return of the Basket with respect to the Calculation Date_t and (iii) the dynamically weighted daily fraction (Act/360) of the Reference Rate. [The calculation takes into account [the Fee_{TVL}] [,] [and] [the Fee_{Basket}] [and] [the Fee_{Strat}] by way of deduction.]

- (3) *Dynamic Weight:* The Calculation Agent shall determine the Dynamic Weight on each Calculation Date_t (= DW_t) from and including the Initial Strategy Calculation Date as follows:

$$DW_t = \frac{\text{Target Volatility}}{\text{Basket Volatility}_t}$$

However, DW_t is not less than the Minimum Weight and not greater than the Maximum Weight.

- (4) *Basket Volatility:* The Calculation Agent shall determine the Basket Volatility_t in respect of the Volatility Observation Period on each Calculation Date_t from and including the Initial Strategy Calculation Date in accordance with the following formula:

Basket Volatility_t

$$= \sqrt{\frac{1}{VOP - 1} \times \sum_{j=1}^{VOP} (\text{LnBasketPerformance}_{t-VOP-Offset+j} - \text{LnAverageBasketPerformance}_{t-Offset})^2} \times \sqrt{252}$$

Where:

$\text{LnBasketPerformance}_{t-VOP-Offset+j}$ means $\text{Ln}(1 + \text{Return of Basket}_{t-VOP-Offset+j})$

$\text{LnAverageBasketPerformance}_{t-Offset}$ means $\frac{1}{VOP} \times \sum_{k=1}^{VOP} \text{Ln}(1 + \text{Return of Basket}_{t-VOP-Offset+k})$

[Special Conditions that apply to all product types:

§ 5

[In the case of Securities with a conversion right of the Issuer, the following applies:

Issuer's Conversion Right

Issuer's Conversion Right: Upon the occurrence of a Conversion Event the Securities shall be redeemed at the Settlement Amount on the Maturity Date.

The "**Settlement Amount**" shall be the market value of the Securities, with accrued interest for the period until the Maturity Date at the market rate of interest being traded at such time for liabilities of the Issuer with the same remaining term as the Securities within ten Banking Days following the occurrence of the Conversion Event; it shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). However, the Settlement Amount shall not be less than the Minimum Amount. If it is not possible to determine the market value of the Securities, the Settlement Amount corresponds to the Minimum Amount. The Settlement Amount shall be notified pursuant to § 6 of the General Conditions. [The application of §§ 313, 314 BGB remains reserved.]

[The right for payment of the Additional Amount [(k)][(l)] ceases to exist in relation to all Additional Amount Payment Dates [(k)][(l)] following the occurrence of a Conversion Event.]

The Settlement Amount will be paid pursuant to the provisions of § 6 of the Special Conditions.]

[In the case of Securities without an Issuer's Conversion Right, the following applies:

(intentionally omitted)

§ 6

Payments

[In the case of Securities where the Specified Currency is the Euro, the following applies:

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

- (1) *Rounding:* The amounts payable under these Terms and 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) *Business day convention:* 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. The Security Holders shall not be 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][Custodian 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 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).

[In the case of Securities with a Temporary Global Note which will be exchangeable for a Permanent Global Note, the following applies:

- (5) Payments of Interest Amounts on the Securities shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1 of the General Conditions) by the relevant participants to the Clearing System.]

§ 7

Market Disruptions

- (1) *Postponement:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on an Observation Date[(k)], the respective Observation Date[(k)] shall be postponed [for [all Basket Components] [the respective Basket Component,] to the next following [Calculation Date][Banking Day that is a Calculation Date for the Basket Component,] on which the Market Disruption Event no longer exists. *[Insert in the case of Securities with an averaging observation:* If, as a result of such a postponement, several Observation Dates fall on the same day, then each of those Observation Dates shall be deemed to be an Observation Date for averaging purposes.]

[If a FX Market Disruption Event occurs on a FX Observation Date, the respective FX Observation Date will be postponed to the next following FX Calculation Date on which the FX Market Disruption Event no longer exists.]

Any Payment Date relating to such Observation Date[(k)] [or FX Observation Date, as the case may be] shall be postponed if applicable. [Interest shall not be payable due to such postponement.]

- [(2) *Omission:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on a Calculation Date that is not an Observation Date, the Level of the Target Vol Strategy, the Dynamic Weight and the Return of Basket shall not be calculated with respect to such date and such date shall not be considered in the calculation of the [Underlying Volatility][Basket Volatility].]

- [(2)][(3)] *Discretionary valuation:* Should the Market Disruption Event continue for more than [Insert number of Banking Days] consecutive Banking Days, the Calculation Agent shall determine in its reasonable discretion (§ 315 et seq. BGB) the respective [Reference Price[;]][FX[;]] required for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. Such [Reference Price[;]] [FX[;]] shall be the reasonable price determined in accordance with prevailing market conditions at [Insert time and financial centre] on this [Insert number of following Banking Day] Banking Day, taking into account the economic position of the Security Holders.

[In the case of a share or a depositary receipt, an index or a commodity as Underlying or Securities linked to a basket of shares or depositary receipts, a basket of indices or a basket of commodities, the following applies:

If within these [Insert number of Banking Days] Banking Days traded Derivatives of the [Underlying] [respective Basket Component,] expire or are settled on the Determining Futures Exchange[;], the settlement price established by the Determining Futures Exchange[;] for the there traded Derivatives will be taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the respective Observation Date.]

[Should the FX Market Disruption Event continue for more than [Insert number of Banking Days] consecutive Banking Days, the respective FX shall be the reasonable price determined in accordance with prevailing market conditions at [Insert time and financial centre] on this [Insert number of following Banking Day] Banking Day]; such reasonable price shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).]

[In the case of a share or a depository receipt as Underlying, the following applies:]

§ 8

Adjustments, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the Underlying, the ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any such adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange to the there traded Derivatives linked to the Underlying, and the remaining term of the Securities as well as the latest available price of the Underlying. If pursuant to the rules of the Determining Futures Exchange, no adjustments were made to the Derivatives linked to the Underlying, the Terms and Conditions of these Securities shall regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified pursuant to § 6 of the General Conditions.
- (2) *Replacement Specification:* If a price of the Underlying published by the Relevant Exchange pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish the respective value by using the Corrected Value (the "**Replacement Specification**") pursuant to § 6 of the General Conditions.]
- [(3) The application of §§ 313, 314 BGB remains reserved.]

[In the case of an index as Underlying, the following applies:]

§ 8

Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification

- (1) *Index Concept:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Underlying with its provisions currently applicable, as developed and maintained by the Index Sponsor, as well as the respective method of calculation, determination, and publication of the price of the Underlying (the "**Index Concept**") applied by the Index Sponsor. This shall also apply if during the term of the Securities changes are made or occur in respect of the Index Concept, or if other measures are taken, which have an impact on the Index Concept, unless otherwise provided in the below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the Underlying, the ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any such adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange to the there traded Derivatives linked to the Underlying, and the remaining term of the Securities as well as the latest available price of the Underlying. If pursuant to the rules of the Determining Futures Exchange, no adjustments were made to the Derivatives linked to the Underlying, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified according to § 6 of the General Conditions.

- (3) *Replacement Underlying*: In cases of an Index Replacement Event or a License Termination Event, the adjustment pursuant to paragraph (2) shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) determining, which index should be used in the future as Underlying (the "**Replacement Underlying**"). If necessary, the Calculation Agent shall make further adjustments to the Terms and Conditions of these Securities (in particular to the Underlying, the ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the adjustments made as well as the time of its first application will be published in accordance with § 6 of the General Conditions. From the first application of the Replacement Underlying on, any reference to the replaced Underlying in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Underlying.
- (4) *New Index Sponsor and New Index Calculation Agent*: If the Underlying is no longer determined by the Index Sponsor but rather by another person, company or institution (the "**New Index Sponsor**"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the Underlying as determined by the New Index Sponsor. In this case, any reference to the replaced Index Sponsor in the Terms and Conditions of these Securities shall be deemed to refer to the New Index Sponsor. If the Underlying is no longer calculated by the Index Calculation Agent but rather by another person, company or institution (the "**New Index Calculation Agent**"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the Underlying as calculated by the New Index Calculation Agent. In this case, any reference to the replaced Index Calculation Agent in the Terms and Conditions of these Securities shall be deemed to refer to the New Index Calculation Agent.
- (5) *Replacement Specification*: If a price of the Underlying published by the Index Sponsor or the Index Calculation Agent, as the case may be, pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the Index Sponsor or the Index Calculation Agent, as the case may be, after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish pursuant to § 6 of the General Conditions the relevant value by using the Corrected Value (the "**Replacement Specification**").]
- [(6) The application of §§ 313, 314 BGB remains reserved.]

[In the case of a commodity as Underlying, the following applies:

§ 8

Relevant Trading Conditions, Adjustments, Replacement Reference Market

- (1) *Relevant Trading Conditions*: The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Underlying taking in consideration
- (a) the method of price determination,
 - (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading) and
 - (c) other value determining factors,
- applicable on the Reference Market in respect of the Underlying (together the "**Relevant Trading Conditions**"), unless otherwise provided in below provisions.
- (2) *Adjustments*: Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the Underlying, the ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the

Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any such adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange to the there traded Derivatives linked to the Underlying, and the remaining term of the Securities as well as the latest available price of the Underlying. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange, no adjustments were made to the Derivatives linked to the Underlying, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified according to § 6 of the General Conditions.

- (3) *Replacement Reference Market:* In the event of
- (a) a final discontinuation of the trading in the Underlying at the Reference Market,
 - (b) a material change of the market conditions at the Reference Market or
 - (c) a material limitation of the liquidity of the Underlying at the Reference Market,

with the trading in the same commodity being continued on another market without restrictions, the Reference Market shall be substituted by another market that offers satisfactorily liquid trading conditions (the "**Replacement Reference Market**"); such market shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). If necessary, the Calculation Agent shall make further adjustments to the Terms and Conditions of these Securities (in particular to the Underlying, the ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in order to account for any difference in the method of price determination and the trading conditions applicable to the Underlying on the Replacement Reference Market (in particular in terms of the quality, the quantity and the currency of trading) (together the "**New Relevant Trading Conditions**"), as compared to the original Relevant Trading Conditions. The Replacement Reference Market and the performed adjustments and the time that it is first applied will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Reference Market, any reference to the replaced Reference Market in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Reference Market.]

- [(4) The application of §§ 313, 314 BGB remains reserved.]

[In the case of a fund as Underlying, the following applies:

§ 8

Adjustments, Replacement Underlying, Replacement Management Company, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions (in particular the ratio and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent on the basis of the Terms and Conditions shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available price of the Underlying. In making the adjustment, the Calculation Agent will take into account additional direct or indirect costs incurred by the Issuer in the course of or in connection with the respective Adjustment Event, including taxes, retentions, deductions or other charges borne by the Issuer. The adjustments made and the time of their initial

application will be published in accordance with § 6 of the General Conditions.

- (2) *Replacement Underlying*: In cases of a Fund Replacement Event, the adjustment usually entails the Calculation Agent in its reasonable discretion (§ 315 BGB) determining which Fund or Fund Share should be used in the future as the Underlying (the "**Replacement Underlying**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions (in particular to the Underlying, the ratio and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying, any reference to the Underlying in the Terms and Conditions shall be deemed to refer to the Replacement Underlying, unless the context provides otherwise.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

- (3) *Replacement Specification*: If a NAV, as used by the Calculation Agent pursuant to these Terms and Conditions, is subsequently corrected and the correction (the "**Corrected Value**") is published by the Management Company after the original publication but still within a Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Underlying, then the relevant value will not be specified again.]

[In the case of Securities where the Replacement Specification takes place independently of the Settlement Cycle, the following applies:

- (3) *Replacement Specification*: If a NAV, as used by the Calculation Agent pursuant to these Terms and Conditions, is subsequently corrected and the correction (the "**Corrected Value**") is published by the Management Company after the original publication but prior to the Maturity Date, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Underlying, then the relevant value will not be specified again.]
- (4) If the Underlying is no longer calculated by the Management Company but by another person, company or institution (the "**Replacement Management Company**"), each and every reference to the Management Company in the Terms and Conditions shall be deemed, depending on the context, to refer to the Replacement Management Company.

[The application of §§ 313, 314 BGB remains reserved.]]

[In the case of an index as Underlying referencing funds, the following applies:

§ 8

Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification

- (1) *Index Concept*: The basis for the calculations or specifications of the Calculation Agent described in these Terms and Conditions shall be the Underlying with its provisions applicable from time to time, as developed and maintained by the Index Sponsor, as well as the

respective method of calculation, determination and publication of the price of the Underlying (the "**Index Concept**") applied by the Index Sponsor. This shall also apply if during the term of the Securities changes are made or occur in respect of the Index Concept, or if other measures are taken which have an impact on the Index Concept, unless otherwise provided in the provisions below.

- (2) *Adjustments*: Upon the occurrence of an Adjustment Event the Terms and Conditions (in particular, the ratio, the Underlying and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent on the basis of these Terms and Conditions shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available NAV or the liquidation proceeds for the Fund. In making the adjustment, the Calculation Agent will take into account additional direct or indirect costs incurred by the Issuer in the course of or in connection with the respective Adjustment Event, including, inter alia, taxes, retentions, deductions or other charges borne by the Issuer. The adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions.
- (3) *Replacement Underlying*: In cases of an Index Replacement Event, the adjustment usually entails the Calculation Agent in its reasonable discretion (§ 315 BGB) determining which index should be used in the future as the Underlying (the "**Replacement Underlying**"). If necessary, the Calculation Agent will make further adjustments to these Terms and Conditions (in particular to the Underlying, the ratio and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to these Terms and Conditions in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying, any reference to the Underlying in these Terms and Conditions shall be deemed to refer to the Replacement Underlying, unless the context provides otherwise.
- (4) *New Index Sponsor and New Index Calculation Agent*: If the Underlying is no longer determined by the Index Sponsor but by another person, company or institution (the "**New Index Sponsor**"), then all calculations or specifications described in these Terms and Conditions shall occur on the basis of the Underlying as determined by the New Index Sponsor. In this case, any reference to the Index Sponsor shall be deemed to refer to the New Index Sponsor, depending on the context. If the Underlying is no longer calculated by the Index Calculation Agent but by another person, company or institution (the "**New Index Calculation Agent**"), then all calculations or specifications described in these Terms and Conditions shall occur on the basis of the Underlying as calculated by the New Index Calculation Agent. In this case, any reference to the Index Calculation Agent shall be deemed to refer to the New Index Calculation Agent, unless the context provides otherwise.

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

- (5) *Replacement Specification*: If a price of the Underlying published by the Index Sponsor or the Index Calculation Agent, as the case may be, pursuant to these Terms and Conditions is subsequently corrected and the correction (the "**Corrected Value**") is published by the Index Sponsor or the Index Calculation Agent, as the case may be, after the original publication but still within a Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Underlying, then the relevant value will not be specified again.]

[In the case of Securities where the Replacement Specification takes place independently of the Settlement Cycle, the following applies:

- (5) *Replacement Specification:* If a price of the Underlying published by the Index Sponsor or the Index Calculation Agent, as the case may be, pursuant to these Terms and Conditions is subsequently corrected and the correction (the "**Corrected Value**") is published by the Index Sponsor or the Index Calculation Agent, as the case may be, after the original publication but prior to the Maturity Date, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Underlying, then the relevant value will not be specified again.]

[The application of §§ 313, 314 BGB remains reserved.]]

[In the case of an exchange rate as Underlying, the following applies:

§ 8

(intentionally omitted)

[In the case of Securities linked to a basket of shares or depository receipts, the following applies:

§ 8

Adjustments, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the respective Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified pursuant to § 6 of the General Conditions.
- (2) *Replacement Specification:* If a price of the respective Basket Component_i published by the respective Relevant Exchange_i pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the respective Relevant Exchange_i after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish the respective value by using the Corrected Value (the "**Replacement Specification**") pursuant to § 6 of the General Conditions.
- (3) If adjustments pursuant to the preceding paragraph with regard to the affected Basket Component are not sufficient in order to establish an economically equivalent situation, the Calculation Agent will in its reasonable discretion (§ 315 et seq. BGB) either
- (a) remove the respective Basket Component from the Basket without replacing it (if necessary by adjusting the weighting of the remaining Basket Components), or

- (b) replace the respective Basket Component in whole or in part by an economically equal Basket Component, determined in its reasonable discretion (§ 315 et seq. BGB) (if applicable by adjusting the weighting of the Basket Components then present in the Basket) (the "**Successor Basket Component**"). In such case, the Successor Basket Component will be deemed to be the Basket Component and each reference in these Terms and Conditions to the Basket Component will be deemed to refer to the Successor Basket Component.]

[(4) The application of §§ 313, 314 BGB remains reserved.]]

[In the case of Securities linked to a basket of indices, the following applies:

§ 8

Index Concept, Adjustments, Replacement Basket Component, New Index Sponsor and New Index Calculation Agent, Replacement Specification

- (1) *Index Concept:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Basket Components with its provisions currently applicable, as developed and maintained by the respective Index Sponsor_i, as well as the respective method of calculation, determination, and publication of the price of the respective Basket Component_i (the "**Index Concept**") applied by the respective Index Sponsor_i. This shall also apply if during the term of the Securities changes are made or occur in respect of the respective Index Concept, or if other measures are taken, which have an impact on the respective Index Concept, unless otherwise provided in the below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the respective Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified according to § 6 of the General Conditions.
- (3) *Replacement Basket Component:* In cases of an Index Replacement Event or a License Termination Event, the adjustment pursuant to paragraph (2) is usually made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) determining, which index should be used in the future as respective Basket Component_i (the "**Replacement Basket Component**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of these Securities (in particular to the respective Basket Component_i, the ratio and/or all prices of the respective Basket Component_i, which have been specified by the Issuer) and/or all prices of the respective Basket Component_i determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The respective Replacement Basket Component and the adjustments made as well as the time of its first application will be published in accordance with § 6 of the General Conditions. From the first application of the Replacement Basket Component on, any reference to the replaced respective Basket Component_i in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Basket Component.
- (4) *New Index Sponsor and New Index Calculation Agent:* If the respective Basket Component_i is

no longer determined by the respective Index Sponsor_i but rather by another person, company or institution (the "**New Index Sponsor**"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the respective Basket Component_i as determined by the respective New Index Sponsor. In this case, any reference to the replaced Index Sponsor_i in the Terms and Conditions of these Securities shall be deemed to refer to the New Index Sponsor. If the respective Basket Component_i is no longer calculated by the respective Index Calculation Agent_i but rather by another person, company or institution (the "**New Index Calculation Agent**"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the respective Basket Component_i as calculated by the respective New Index Calculation Agent. In this case, any reference to the replaced Index Calculation Agent_i in the Terms and Conditions of these Securities shall be deemed to refer to the New Index Calculation Agent.

- (5) *Replacement Specification:* If a price of the respective Basket Component_i published by the respective Index Sponsor_i or the respective Index Calculation Agent_i, as the case may be, pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the respective Index Sponsor_i or the respective Index Calculation Agent_i, as the case may be, after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish pursuant to § 6 of the General Conditions the relevant value by using the Corrected Value (the "**Replacement Specification**").]

- [(6) The application of §§ 313, 314 BGB remains reserved.]]

[In the case of Securities linked to a basket of commodities, the following applies:

§ 8

Relevant Trading Conditions, Adjustments, Replacement Reference Market

- (1) *Relevant Trading Conditions:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the respective Basket Component_i taking in consideration
- (a) the method of price determination,
 - (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading) and
 - (c) other value determining factors,

applicable on the respective Reference Market_i in respect of the respective Basket Component_i (together the "**Relevant Trading Conditions**"), unless otherwise provided in below provisions.

- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the respective Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified

according to § 6 of the General Conditions.

- (3) *Replacement Reference Market:* In the event of
- (a) a final discontinuation of the trading in the respective Basket Component_i at the respective Reference Market_i,
 - (b) a material change of the market conditions at the respective Reference Market_i or
 - (c) a material limitation of the liquidity of the Underlying at the respective Reference Market_i,

with the trading in the same commodity being continued on another market without restrictions, the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) shall determine that such other market will be used in the future as respective Reference Market_i (the "**Replacement Reference Market**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of these Securities (in particular to the respective Basket Component_i, the ratio and/or all prices of the respective Basket Component_i, which have been specified by the Issuer) and/or all prices of the respective Basket Component_i, determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in order to account for any difference in the method of price determination and the trading conditions applicable to the respective Basket Component_i on the respective Replacement Reference Market (in particular in terms of the quality, the quantity and the currency of trading) (together the "**New Relevant Trading Conditions**"), as compared to the original Relevant Trading Conditions. The respective Replacement Reference Market and the performed adjustments and the time that it is first applied will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the respective Replacement Reference Market, any reference to the replaced Reference Market_i in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Reference Market.]

- [(4) The application of §§ 313, 314 BGB remains reserved.]]

[In the case of Securities linked to a basket of funds, the following applies:

§ 8

Adjustments, Replacement Underlying, Replacement Management Company, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent the Terms and Conditions (in particular the respective Basket Component_i, the ratio and/or all prices of the Basket Component_i specified by the Issuer) and/or all prices of the Basket Component_i, determined by the Calculation Agent on the basis of these Terms and Conditions shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. In making the adjustment, the Calculation Agent will take into account additional direct or indirect costs incurred by the Issuer in the course of or in connection with the respective Adjustment Event, including taxes, retentions, deductions or other charges borne by the Issuer. The adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions.
- [(2) *Replacement Basket Component:* In cases of a Fund Replacement Event, the adjustment usually entails the Calculation Agent in its reasonable discretion (§ 315 BGB) determining which Fund or Fund Share should be used in the future as the respective Basket Component_i (the "**Replacement Basket Component**"). If necessary, the Calculation Agent will make further adjustments to these Terms and Conditions (in particular to the Basket Component_i, the ratio and/or all prices of the respective Basket Component_i specified by the Issuer) and/or all prices of the Basket Component_i, determined by the Calculation Agent pursuant to these Terms

and Conditions in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Basket Component and the adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Basket Component, any reference to the Basket Component, in these Terms and Conditions shall be deemed to refer to the Replacement Basket Component, unless the context provides otherwise.]

[In the case of Securities where the Replacement Specification takes place within the Settlement Cycle, the following applies:

[(2)] [(3)] *Replacement Specification:* If a NAV, as used by the Calculation Agent pursuant to these Terms and Conditions, is subsequently corrected and the correction (the "**Corrected Value**") is published by the Management Company after the original publication but still within a Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Basket Component, then the relevant value will not be specified again.]

[In the case of Securities where the Replacement Specification takes place independently of the Settlement Cycle, the following applies:

[(2)] [(3)] *Replacement Specification:* If a NAV, as used by the Calculation Agent pursuant to these Terms and Conditions, is subsequently corrected and the correction (the "**Corrected Value**") is published by the Management Company, after the original publication but prior to the Maturity Date, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall specify the relevant value again using the Corrected Value (the "**Replacement Specification**") and publish it pursuant to § 6 of the General Conditions. However, if the Calculation Agent is informed of the Corrected Value less than two Banking Days prior to the date on which a payment is to be made whose amount is determined wholly or partly with reference to this price of the Basket Component, then the relevant value will not be specified again.]

[(4)] If the Basket Component, is no longer calculated by the Management Company but by another person, company or institution (the "**Replacement Management Company**"), each and every reference to the Management Company in these Terms and Conditions shall be deemed, depending on the context, to refer to the Replacement Management Company.

[The application of §§ 313, 314 BGB remains reserved.]]

[In the case of Securities linked to a basket of exchange rates, the following applies:

§ 8

(intentionally omitted)

[In the case of Compo Securities and in the case of an exchange rate as Underlying or Securities linked to a basket of exchange rates, the following applies:

§ 9

New Fixing Sponsor, Replacement Exchange Rate

(1) *New Fixing Sponsor:* In the event that the [Underlying][at least one component of the Underlying][the [FX] Exchange Rate[;]][FX] is no longer determined and published by the [respective] Fixing Sponsor[;] or, in case of a not only immaterial modification in the method of determination and/or publication of [Underlying][at least one component of the Underlying][the [FX] Exchange Rate[;]][FX] by the Fixing Sponsor (including the time of

determination or publication), the Calculation Agent has the right[, in particular,] to determine the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities on the basis of the determinations and publications by another person, company or institution which shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) (the "**New Fixing Sponsor**"). The New Fixing Sponsor and the time of its first application shall be published pursuant to § 6 of the General Conditions. In this case, any reference to the replaced Fixing Sponsor[;] in the Terms and Conditions of these Securities shall be deemed to refer to the New Fixing Sponsor.

(2) *Replacement Exchange Rate:* In the event that the [Underlying][at least one component of the Underlying][the [FX] Exchange Rate[;]][FX] is no longer determined and published, the calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of a [price of the [Underlying][the respective component of the Underlying][the [FX] Exchange Rate[;]][FX] determined and published on the basis of another method, which shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) (the "**Replacement Exchange Rate**"). [If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of these Securities (in particular to the determination or to the method of the calculation of [all prices of the Underlying [or of its components] determined by the Issuer]) and/or all prices of the Underlying [or of its components] determined by the Calculation Agent pursuant to the Terms and Conditions on the basis of the Terms and Conditions in such way that the financial position of the Security Holders remains unchanged to the greatest extent possible.] The Replacement Exchange Rate and the time of its first application shall be published pursuant to § 6 of the General Conditions. In this case, any reference to [the replaced [FX] Exchange Rate[;]] [the [official] fixing [of the respective component] of the Underlying] [the replaced [FX]] in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Exchange Rate.]]

[(3) The application of §§ 313, 314 BGB remains reserved.]

CONDITIONS OF THE SECURITIES INCORPORATED BY REFERENCE IN THE BASE PROSPECTUS

Base Prospectus for the issuance of Fund-linked Securities 2014

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities the following Conditions of the Securities as included in the Base Prospectus for the issuance of Fund-linked Securities 2014 are hereby incorporated by reference into this Base Prospectus:

- Conditions of the Securities – Part C Special Conditions of the Securities – Option 2: Fund Index Securities; and
- Conditions of the Securities – Part C Special Conditions of the Securities – Option 10: Fund Index Telescope Securities.

Base Prospectus for the issuance of Fund-linked Securities 2016

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities included in the Base Prospectus for the issuance of Fund-linked Securities 2016 the Conditions of the Securities included in the Base Prospectus for the issuance of Fund-linked Securities 2016 are hereby incorporated by reference into this Base Prospectus.

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016 the Conditions of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities 2016 are hereby incorporated by reference into this Base Prospectus.

A list setting out the information incorporated by reference is provided on page 484 et seq.

DESCRIPTION OF INDICES COMPOSED BY THE ISSUER OR BY ANY LEGAL ENTITY BELONGING TO THE SAME GROUP

The description of indices composed by the Issuer or by any legal entity belonging to the same group included in the base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities is hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 484 et seq.

The complete set of rules of the index and information on the performance of the index are freely accessible on the Issuer's or on the index provider's website. The governing rules (including methodology of the index for the selection and the re-balancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

DESCRIPTION OF HVB MULTI MANAGER BEST SELECT FLEX INDEX

The following Index Description outlines the key data for the "**HVB Multi Manager Best Select Flex Index**" (the "**HVB Multi Manager Best Select Flex Index**") compiled by the Issuer. This description is subject to amendments or adjustments from time to time after the date of this Base Prospectus in relation to which the Issuer will publish a related supplement to this Base Prospectus.

The HVB Multi Manager Best Select Flex Index (WKN A1YD46 / ISIN DE000A1YD465) (the "**Index**") is an index developed and designed by UniCredit Bank AG, Munich, Germany, or any successor thereto (the "**Index Sponsor**") and calculated by UniCredit Bank AG, Munich, Germany, or any successor determined by the Index Sponsor (the "**Index Calculation Agent**") in euro (the "**Index Currency**") in accordance with the index rules set out below (the "**Index Rules**") whose objective is to participate in the performance of the Reference Fund, while aiming to control the frequency and degree of fluctuations in the value (volatility) of the Reference Portfolio (the "**Objective of the Index**").

Section A. - Definitions, general information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

Definitions regarding the Index:

"Banking Day" means each day (other than a Saturday or Sunday) on which the principal domestic clearance system customarily used to settle trades regarding the Index Components and the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) are open.

"Debt Securities" means all outstanding debt securities of a company affiliated with the Index Sponsor (section 15 of the German Stock Corporation Act (*Aktiengesetz*)) at a given time for which payment of principal and/or interest depends on the performance of the Index.

"Fund Event" means any event defined as a Fund Event in *Section D. - I. General extraordinary adjustments of this Index Description*.

"Hedging Party" means the Index Sponsor (as at the Index Start Date). The Index Sponsor is entitled at any time to appoint another person or company to act as Hedging Party (the "**Successor Hedging Party**"). The appointment of a Successor Hedging Party will be published in accordance with *Section F. - Publication of this Index Description*.

"Hedging Transactions" means one or more trades, transactions or investments (especially securities (including Fund Shares), options, futures, derivatives and foreign currency transactions, repos or securities lending transactions or other instruments or measures) which are required for an Issuer and/or any Hedging Party to hedge price risks or other risks at standalone or portfolio basis arising from obligations with regard to the Index or with regard to Debt Securities or other financial instruments linked to the Index (i.e. financial instruments whose payments are linked to the performance of the Index). The Index Sponsor will determine in its reasonable discretion (§ 315 of the German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**")) whether any such Hedging Transactions are required.

"Hypothetical Investor" means, in relation to any Fund Shares, a hypothetical investor in such Fund Shares which (i) has the legal form of a company incorporated in Germany, (ii) is deemed, with respect to the rights and obligations, to have the position of an investor in Fund Shares on the relevant Index Valuation Date, as determined in the Fund Documents, and (iii) is deemed to have the possibilities of such investor in relation to the subscription and redemption of Fund Shares as at the relevant Index Valuation Date.

"Index Components" means the Fund Shares included in the Index at any given time and the Reference Index.

"Index Event" means any event defined as an Index Event in *Section D. - I. General extraordinary adjustments of this Index Description*.

"Index Initial Value" means 100.00.

"Index Start Date" means 4 March 2014.

"Index Valuation Date" means any Banking Day that is a Reference Index Calculation Date and on which it is actually possible to issue and redeem Fund Shares as described in the Fund Documents.

"Index Value" means the value (expressed in euro) of the Index on any given Index Valuation Date as calculated by the Index Calculation Agent.

"Index(t_j)" means the Index Value at Index Valuation Date t_j . Index (t_j) is calculated by the Index Calculation Agent for every Index Valuation Date t_j in accordance with the provisions set forth in *Section C. - Calculation of the Index of this Index Description*.

"Issuer" means an issuer of Debt Securities.

"Money Market Investment" means a hypothetical investment in cash and money market instruments from the European single currency area. The performance of this investment is reflected by the Reference Index.

"Reference Portfolio" means a hypothetical portfolio of the Hypothetical Investor which contains both Fund Shares and the Money Market Investment in variable weightings. The Reference Portfolio has a value at the Index Start Date equal to the Index Initial Value (expressed in euro).

" t_j^* " or **"Reinvestment Date"** means, in relation to a Distribution, the Index Valuation Date immediately following the relevant Distribution Payment Date.

" t_j " means the j -th Index Valuation Date. The Index Start Date is shown as t_0 , previous Index Valuation Dates are numbered with negative indices and subsequent Index Valuation Dates are numbered with positive indices, resulting in (... , t_{-2} , t_{-1} , t_0 , t_1 , t_2 , ...).

" t_{j-p} " means the p -th Index Valuation Date prior to the Index Valuation Date t_j .

" t_{j-p-2} " means the second Index Valuation Date prior to the Index Valuation Date t_{j-p} .

" t_{j-p-3} " means the third Index Valuation Date prior to the Index Valuation Date t_{j-p} .

Definitions regarding the Reference Fund:

"Auditor" means Deloitte & Touche GmbH and/or any other auditor appointed by the Management Company to audit the Reference Fund and its annual financial statements.

"Custodian Bank" means CACEIS Bank Deutschland GmbH and/or any other company appointed by the Management Company to perform custodial, accounting, settlement or similar services for the Reference Fund.

" $d(t_j^*)$ " means the present value (in euro) of the relevant Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor in relation to the Distribution) as at the Ex-Date immediately preceding the relevant Reinvestment Date t_j^* .

" $d(t_j)$ " means either (i) $d(t_j^*)$ on each Index Valuation Date t_j between any Ex-Date (inclusive) and the corresponding Reinvestment Date t_j^* (exclusive) or (ii) zero on any other Index Valuation Date t_j .

"Distribution Payment Date" means, in relation to a Distribution, the day on which such Distribution would be received by the Hypothetical Investor.

"Distribution" means a cash distribution which the Reference Fund would pay per Fund Share to the Hypothetical Investor on a Distribution Payment Date.

"Ex-Date" means, in relation to a Distribution, the first day on which the Net Asset Value is published by the Management Company, having been reduced by that Distribution.

"Fund Documents" means the annual report and the half-yearly report, the prospectus (including fund rules), the key investor information and all other documents of the Reference Fund which specify the terms and conditions of the Reference Fund and the Fund Shares, as amended. The Fund Documents, as amended, are available on the website www.pioneerinvestments.de (or any successor site). The information contained therein is also maintained by UniCredit Bank AG, LCD7SR, Arabellastraße 12, 81925 Munich, Germany, to be issued to the public free of charge during normal business hours.

"Fund Management" means the persons responsible for the portfolio and/or risk management of the Reference Fund.

"Fund Services Provider" means the Auditor, the Custodian Bank or the Management Company.

"Fund Share" or **"Fund Shares"** means a share or shares in the Reference Fund (WKN A1W9BL / ISIN DE000A1W9BL3).

"Management Company" means Pioneer Investments Kapitalanlagegesellschaft mbH, which manages the Reference Fund.

"n(t_j)" means the distribution factor for the Index Valuation Date t_j. On the Index Start Date t₀, a value of 1.00 is set for the distribution factor (n(t₀)). Thereafter, the distribution factor is recalculated by the Index Calculation Agent on each Reinvestment Date t*_j in accordance with the provisions set out in *Section C. – II. Adjustment of the distribution factor*.

"ñ(t*_j)" means the distribution factor n(t_j) immediately prior to the Reinvestment Date t*_j.

"NAV(t*_j)" means the Net Asset Value of a Fund Share on Reinvestment Date t*_j.

"NAV(t_{j-1})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-1}.

"NAV(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j.

"NAV^A(t_{j-1})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-1}, after taking account of all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-1}, which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* for the purposes of calculating NAV^A(t_j).

"NAV^A(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j, after taking account of all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_j, which is calculated by the Index Calculation Agent in accordance with the formula specified in *Section C. – I. Calculation of the Index Value*.

"NAV^A(t_{j-p-2})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-p-2}, after taking account of all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-p-2}, which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* for the purposes of calculating NAV^A(t_j).

"NAV^A(t_{j-p-3})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-p-3}, after taking account of all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-p-3}, which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* for the purposes of calculating NAV^A(t_j).

"Net Asset Value" or **"NAV"** means the official net asset value for a Fund Share, as published by the Management Company and at which it is actually possible to redeem Fund Shares.

"Reference Fund" means Pioneer Investments Multi Manager Best Select.

Definitions regarding the Reference Index:

"Reference Index Calculation Agent" means UniCredit Bank AG, Munich, Germany.

"Reference Index Calculation Date" means each day (other than a Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) is open.

"Reference Index Description" means the description of the Reference Index. A current version of the Reference Index Description, as amended, is published on the website www.onemarkets.de (or any successor site).

"Reference Index Structuring Fee" or **"FRI"** means a rate by which the performance of the Reference Index is reduced. The Reference Index Structuring Fee is 1.00% per annum (FRI = 1.00%).

"Reference Index Value" means the value (expressed in euro) of the Reference Index calculated by the Reference Index Calculation Agent on the basis of the method described in the Reference Index Description at any Reference Index Calculation Date.

"Reference Index" means the HVB 3 Months Rolling Euribor Index (WKN A0QZBZ / ISIN DE000A0QZBZ6 / Reuters .HVB3MRE / Bloomberg HVB3MRE Index), as determined and calculated by UniCredit Bank AG (the **"Reference Index Sponsor"**).

"RIV(t_j)" means the Reference Index Value on Index Valuation Date t_j .

"RIV(t_{j-1})" means the Reference Index Value on Index Valuation Date t_{j-1} .

II. General information, disclaimer

The information regarding the Reference Fund included in this Index Description is intended solely to inform investors wishing to buy Debt Securities and does not constitute a solicitation to buy Fund Shares. Each investor must make its own assessment of the merits of the Reference Fund. When calculating the Index Value, the Index Calculation Agent must rely upon statements, confirmations, computations, assurances and other information provided by third parties, the correctness and reliability of which it largely does not verify and for the correctness of which it accepts no responsibility. Any inaccuracies contained in such information may have an impact on the calculation of the Index Value without any fault attaching to the Index Calculation Agent. Neither the Index Sponsor nor the Index Calculation Agent has any obligation to verify this information independently.

The Index exists exclusively in the form of sets of data records and does not convey any direct or indirect beneficial or legal interest or ownership in the Index Components. Each of the allocations described herein within the Reference Portfolio is only carried out hypothetically by modifying such records. The Index Sponsor, the Index Calculation Agent, any Issuer and the Hedging Party are under no obligation to directly or indirectly acquire the Index Components. Fees, if any, received by the Index Sponsor in its capacity as Hedging Party from the Management Company in relation to holdings in the Reference Fund will not be distributed to the holders of Debt Securities or reinvested in the Index, but will be taken into account by the Index Sponsor in its internal pricing models by means of lower costs for the earnings mechanism. Distributions made by the Reference Fund will not be distributed to the holders of Debt Securities, but will be reinvested in the Index

Section B. - General information regarding the Index

I. Objective of the Index

The Index reflects the performance of the Reference Portfolio.

For the purposes of pursuing the Objective of the Index, the participation in the Reference Fund will be reduced in part or in full in the event of high volatility of the Reference Fund (volatility is an indicator of the frequency and degree of fluctuations in value), and the participation in the Money Market Investment will be increased accordingly. Conversely, the participation in the Money Market Investment will be reduced in part or in full in the event of low volatility of the Reference Fund, and the participation in the Reference Fund will be increased accordingly.

However, there is no guarantee that the Reference Portfolio and hence the Index will achieve the objectives described here.

II. Index Sponsor and Index Calculation Agent

The Index Sponsor sets up the Index by selecting the Index Components and by determining the method used to calculate and publish the Index Value (the **"Index Concept"**). The Index Sponsor will make any decisions, determinations and definitions with regard to the Index in its reasonable discretion (§ 315 BGB).

The Index Calculation Agent conducts all calculations with the regard to the Index in accordance with this Index Description, and monitors and updates certain index data for this purpose. The Index Calculation Agent will act with the due care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmannes*) in performing its duties in accordance with this Index Description. The Index Sponsor and the Index Calculation Agent accept no liability except in the event of wilful misconduct or gross negligence.

The Index Calculation Agent may at any time seek advice from third parties with regard to its obligations described herein. The Index Calculation Agent may resign at any time, provided that, for as long as Debt Securities are still outstanding, the resignation will take effect only if (i) a successor

Index Calculation Agent is appointed by the Index Sponsor, (ii) such successor Index Calculation Agent accepts the appointment, and (iii) the successor Index Calculation Agent assumes the rights and obligations of the Index Calculation Agent. Such replacement of the Index Calculation Agent will be published in accordance with *Section F. - Publication of this Index Description*.

Neither the Index Sponsor nor any other person related to the Index acts in any fiduciary or advisory capacity for any holder of Debt Securities.

Section C. - Calculation of the Index

I. Calculation of the Index Value

The Index Value (Index(t_j)) is calculated by the Index Calculation Agent for each Index Valuation Date t_j (where $j = 1, 2, \dots$) after the Index Start Date in accordance with the following formula:

$$\text{Index}(t_j) = \text{Index}(t_{j-1}) \times [1 + w(t_{j-1}) \times \text{Return}_1(t_j) + (1-w(t_{j-1})) \times \text{Return}_2(t_j)]$$

where the return on the Reference Fund since the previous Index Valuation Date t_{j-1} (referred to as Return1(t_j)) is calculated as follows:

$$\text{Return}_1(t_j) = \frac{\text{NAV}^A(t_j) - \text{NAV}^A(t_{j-1})}{\text{NAV}^A(t_{j-1})}$$

where

$$\text{NAV}^A(t_j) = n(t_j) \times (\text{NAV}(t_j) + d(t_j))$$

and the return on the Money Market Investment is calculated as follows on the basis of the Reference Index, reduced by the proportionate Reference Index Structuring Fee since the previous Index Valuation Date t_{j-1} (referred to as Return2(t_j)):

$$\text{Return}_2(t_j) = \frac{\text{RIV}(t_j) - \text{RIV}(t_{j-1})}{\text{RIV}(t_{j-1})} - \frac{F_{RI}}{360} \times \Delta(t_{j-1}, t_j)$$

where

" $w(t_{j-1})$ " denotes the weighting of the Reference Fund (as defined in *Section C. - III. Dynamic Allocation rules* below), calculated for the Index Valuation Date t_{j-1} ;

" $\Delta(t_{j-1}, t_j)$ " denotes the number of calendar days from Index Valuation Date t_{j-1} (exclusive) to Index Valuation Date t_j (inclusive).

Under normal circumstances, the Index Value at an Index Valuation Date is calculated on the following Banking Day (each an "**Index Calculation Date**") after the Index Calculation Agent has received the relevant Net Asset Value of the Reference Fund.

II. Adjustment of the distribution factor

On each Reinvestment Date t^*_j , the distribution factor $n(t^*_j)$ is recalculated by the Index Calculation Agent in a way so that it notionally equals a reinvestment of the present value (in euro) of the related Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor) in Fund Shares. Expressed as a formula, this means:

$$n(t^*_j) = \tilde{n}(t^*_j) + \frac{\tilde{n}(t^*_j) \times d(t^*_j)}{\text{NAV}(t^*_j)}$$

III. Dynamic Allocation rules

The weighting of the Index Components in the Reference Portfolio is redetermined on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) as follows ("**Dynamic Allocation**"):

First, the Index Calculation Agent calculates the realised degree of variation (realised volatility) of the Reference Fund ($\sigma_R(t_j)$), using the daily returns of the Reference Fund over a period of twenty consecutive Index Valuation Dates, and derives an annual volatility level from this realised volatility. The period observed (the "**Volatility Period**") commences twenty-two Index Valuation Dates prior to the relevant Index Valuation Date t_j and ends two Index Valuation Dates prior to the relevant Index Valuation Date t_j . Return is the logarithm of the change in the Net Asset Value between two consecutive Index Valuation Dates.

The realised volatility of the Reference Fund on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) is calculated as follows:

$$\sigma_R(t_j) = \sqrt{\frac{\sum_{p=0}^{19} \text{Ln} \left(\left[\frac{NAV^A(t_{j-p-2})}{NAV^A(t_{j-p-3})} \right] \right)^2}{19} - \frac{1}{20} \times \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{NAV^A(t_{j-p-2})}{NAV^A(t_{j-p-3})} \right] \right)^2}{19}} \times \sqrt{252}$$

where

"Ln[x]" denotes the natural logarithm of a value of x.

If, on any Index Valuation Date t_j , the twenty-one Net Asset Values of the Fund Share required in order to calculate $\sigma_R(t_j)$ are not available in the relevant Volatility Period because the history of the Reference Fund is too short, the Index Calculation Agent will use the earliest available Net Asset Value of a Fund Share as the value for the unavailable Net Asset Values of the Reference Fund.

Next, the Index Calculation Agent determines the weighting of the Reference Fund for the corresponding Index Valuation Date t_j ($w(t_j)$) using the following Allocation Table and the realised volatility of the Reference Fund calculated in accordance with the formula described above. The greater the realised volatility of the Reference Fund, the lower the weighting of the Reference Fund and vice versa.

"Allocation Table":

Realised volatility of the Reference Fund $\sigma_R(t_j)$	Weighting $w(t_j)$
$\sigma_R(t_j) < 6.00\%$	100%
$6.00\% \leq \sigma_R(t_j) < 6.25\%$	96%
$6.25\% \leq \sigma_R(t_j) < 6.50\%$	92%
$6.50\% \leq \sigma_R(t_j) < 6.75\%$	88%
$6.75\% \leq \sigma_R(t_j) < 7.00\%$	84%
$7.00\% \leq \sigma_R(t_j) < 7.25\%$	82%
$7.25\% \leq \sigma_R(t_j) < 7.50\%$	80%
$7.50\% \leq \sigma_R(t_j) < 7.75\%$	78%
$7.75\% \leq \sigma_R(t_j) < 8.00\%$	76%
$8.00\% \leq \sigma_R(t_j) < 8.25\%$	74%
$8.25\% \leq \sigma_R(t_j) < 8.50\%$	72%

$8.50\% \leq \sigma_R(t_j) < 8.75\%$	70%
$8.75\% \leq \sigma_R(t_j) < 9.00\%$	68%
$9.00\% \leq \sigma_R(t_j) < 9.25\%$	66%
$9.25\% \leq \sigma_R(t_j) < 9.50\%$	63%
$9.50\% \leq \sigma_R(t_j) < 10.00\%$	60%
$10.00\% \leq \sigma_R(t_j) < 10.50\%$	57%
$10.50\% \leq \sigma_R(t_j) < 11.00\%$	54%
$11.00\% \leq \sigma_R(t_j) < 11.50\%$	51%
$11.50\% \leq \sigma_R(t_j) < 12.00\%$	48%
$12.00\% \leq \sigma_R(t_j) < 12.50\%$	45%
$12.50\% \leq \sigma_R(t_j) < 13.00\%$	42%
$13.00\% \leq \sigma_R(t_j) < 14.00\%$	39%
$14.00\% \leq \sigma_R(t_j) < 15.00\%$	36%
$15.00\% \leq \sigma_R(t_j) < 16.00\%$	32%
$16.00\% \leq \sigma_R(t_j) < 17.00\%$	28%
$17.00\% \leq \sigma_R(t_j) < 18.00\%$	24%
$18.00\% \leq \sigma_R(t_j) < 20.00\%$	20%
$20.00\% \leq \sigma_R(t_j) < 22.00\%$	15%
$22.00\% \leq \sigma_R(t_j) < 24.00\%$	10%
$24.00\% \leq \sigma_R(t_j) < 26.00\%$	5%
$26.00\% \leq \sigma_R(t_j)$	0%

When performing the Dynamic Allocation, the Index Calculation Agent will take into account the possibilities of the Hypothetical Investor to subscribe or redeem Fund Shares (where appropriate taking into consideration subscription and redemption periods of the Reference Fund or where the Reference Fund makes use of provisions leading to partial execution of subscription or redemption requests). This may lead to a delayed or gradual implementation of Dynamic Allocation.

The Index Calculation Agent carries out its obligations described herein on the relevant Banking Days. Where it is necessary to carry out one of the obligations described herein on a different Banking Day, the Index Calculation Agent will postpone the relevant obligation to this other Banking Day. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether this is necessary.

Section D. - Extraordinary adjustments and market disruptions

I. General extraordinary adjustments

Adjustments with regard to the Reference Fund

Should the Index Sponsor determine that one or more Fund Events have occurred, the Index Sponsor will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Fund Adjustment**"). The Index Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Fund Adjustment, the Index Sponsor may specifically:

- a) replace the Reference Fund and the Fund Shares, in full or in part, with a fund and fund shares with economically equivalent liquidity, distribution policy and investment strategy (the "**Successor Reference Fund**", and its shares the "**Successor Fund Shares**") in the amount of the proceeds of the liquidation of the Reference Fund within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Reference Fund or the Successor Fund Shares, as applicable;
- b) replace the Reference Fund with an index having an economically equivalent investment strategy (the "**Successor Index**") in the amount of the proceeds of the liquidation of the Reference Fund within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Index, each reference to the Net Asset Value will be deemed to refer to the official closing price of the Successor Index, and each reference to the Management Company will be deemed to refer to the index sponsor of the Successor Index; or
- c) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Fund Event

(where necessary also adjusting the weighting of the Index Components now included in the Index). Any such Reference Fund Adjustment will be published in accordance with *Section F. - Publication of this Index Description*.

Should the Reference Fund be replaced in accordance with (a) or (b) resulting in the loss or the reduction of the fees received by the Index Sponsor in its function as Hedging Party from the Management Company in relation to any holdings in the Reference Fund, the Index Calculation Agent will introduce a structuring fee on the return of the Fund Shares, i.e. the Return1 (as defined in *Section C. – II. Calculation of the Index Value of this Index Description*) is reduced by this structuring fee as an annual percentage on a daily basis in the same way as Return2 is calculated. This structuring fee (i) amounts to 1.00% p.a. in the case of a Successor Index, or (ii) in the case of a Successor Reference Fund, is calculated as the difference between 1.00% p.a. and the anticipated reduced trailer fee for holdings of the Successor Reference Fund as an annual percentage. It will, however, not exceed 1.00% p.a. The introduction of such structuring fee and its amount will be published in accordance with *Section F. - Publication of this Index Description*.

"**Fund Event**" means any of the following events:

- a) changes are made in any of the Fund Documents without the consent of the Index Sponsor which affect the ability of the Hedging Party to maintain its Hedging Transactions, in particular changes with respect to (i) the risk profile of the Reference Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Reference Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the Net Asset Value, or (v) the timetable for the subscription or issue, redemption and/or transfer of Fund Shares; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Reference Fund was included in the Index);

- d) the Reference Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Reference Fund or the Management Company fails to publish the Net Asset Value as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- e) a change in the legal form of the Reference Fund;
- f) a change of key persons in key positions of the Management Company or the Fund Management;
- g) (i) any change in the legal, accounting, tax or regulatory treatment of the Reference Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of the licence or registration of the Reference Fund or the Management Company; or (iii) the suspension, cancellation, revocation or absence of the distribution authorisation for the Reference Fund or the Management Company by a competent authority; or (iv) the initiation of a regulatory investigation, conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Management Company or a Fund Services Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h) a material breach by the Reference Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Reference Fund (as defined in the Fund Documents), and a breach by the Reference Fund or the Management Company of statutory or regulatory provisions; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such breach has occurred;
- i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital to be held by the Hedging Party with respect to its Hedging Transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which would make it unlawful or impracticable for the Hedging Party to maintain its Hedging Transactions or which would result in significantly increased costs, in each case as determined by the Index Sponsor in its reasonable discretion (§ 315 BGB).
- k) an increase in the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into Hedging Transactions beyond 20% of the outstanding Fund Shares in the Reference Fund;
- l) the Hedging Party is required to consolidate the Reference Fund as a result of accounting or other regulations;
- m) the sale or redemption of Fund Shares for mandatory reasons for the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding Hedging Transactions;
- n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Reference Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares or any other event that has a diluting or concentrative effect on the theoretical value of a Fund Share, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash, or (v) the creation of so-called side pockets for segregated assets of the Reference Fund;
- o) the Management Company or a Fund Services Provider discontinues its services for the Reference Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another service provider which in the reasonable discretion of the Index Sponsor (§ 315 BGB) is of similarly good standing;

- p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of settlement, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder, or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- q) the initiation of settlement, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Management Company;
- r) the Index Sponsor loses the right to use the Reference Fund as the basis for the calculation, determination and publication of the Index;
- s) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer or the Hedging Party in the reasonable discretion (§ 315 BGB) of the Index Sponsor;
- t) no notification is given of the bases of taxation for the Reference Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*; "**InvStG**") or any successor legislation, or the Reference Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG or any successor legislation in the future;
- u) changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's Distributions as well as Distributions which diverge significantly from the Reference Fund's normal distribution policy to date;
- v) the Reference Fund or the Management Company or a company affiliated with it breaches the agreement entered into with the Index Sponsor, an Issuer or the Hedging Party in relation to the terms and conditions for the subscription or redemption of Fund Shares or any fees agreed in connection with any holdings of Fund Shares held by the Index Sponsor in its capacity as Hedging Party in a significant respect or terminates that agreement;
- w) the Reference Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Sponsor with information that the latter reasonably considers necessary to enable it to monitor compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- x) the Reference Fund or the Management Company fails to provide the Index Sponsor with the audited annual report and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- y) any other event that could have a noticeable adverse effect on the Net Asset Value of the Reference Fund or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis;

to the extent that the financial position of a Hypothetical Investor or of the Hedging Party or of the holders of Debt Securities suffers a significant adverse change as a result, as determined by the Index Sponsor in its reasonable discretion (§ 315 BGB).

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of a Fund Event will be published in accordance with *Section F. - Publication of this Index Description*.

Adjustments with regard to the Reference Index

Should the Index Sponsor determine that one or more Index Events have occurred, the Index Sponsor will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Index Adjustment**"). The Index Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Index Adjustment, the Index Sponsor may specifically:

- a) replace the Reference Index with a new index (the "**Successor Reference Index**") using a methodology that is economically equivalent to the greatest extent possible (including in particular the tracking of a Money Market Investment, using rolling money market returns). However, the Successor Reference Index may use differing application periods for the Reference Rates and differing rolling intervals. In this event, each reference to the Reference Index will be deemed to refer to the Successor Reference Index;
- b) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Index Event;

(where necessary also adjusting the weighting of the Index Components now included in the Index).

"**Index Event**" means any of the following events occurring on or after the Index Start Date:

- a) changes or modifications are made to the method of calculation, determination and publication of the Reference Index, as described in the Reference Index Description, without the consent of the Index Sponsor which affect the ability of the Hedging Party to hedge its obligations under the Hedging Transactions (in particular changes with respect to (i) the risk profile of the Reference Index, or (ii) the Reference Index is no longer calculated in euro); the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change or modification has occurred;
- b) the historic 30-day volatility of the Reference Index exceeds a volatility level of 2.5%; where $\sigma_{EI}(t_j)$ means the annualised volatility calculated on the basis of the daily logarithmic changes in the value of the Reference Index over the immediately preceding 30 Reference Index Calculation Dates of the Reference Index on a Banking Day (t). $\sigma_{EI}(t_j)$ is calculated in accordance with the following formula:

$$\sigma_{EI}(t_j) = \frac{\sqrt{\sum_{p=0}^{29} \left(\text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2 - \frac{1}{30} \times \left(\sum_{p=0}^{29} \text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2}}{29} \times \sqrt{252}$$

Where:

"**Ln[x]**" denotes the natural logarithm of a value of x;

"**RIV(t_{j-q})**" means the Reference Index Value on the q-th Index Valuation Date prior to the Index Valuation Date t_j.

- c) the calculation or publication of the Reference Index is discontinued;
- d) the Reference Index no longer, in the reasonable discretion (§ 315 BGB) of the Index Sponsor, corresponds to the objective of a low-risk investment that is free of currency risk for the Hypothetical Investor;
- e) any other event that, in the reasonable discretion (§ 315 BGB) of the Index Sponsor, could have a noticeable adverse effect on the Reference Index Value or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis.

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of an Index Event will be published in accordance with *Section F. - Publication of this Index Description*.

Termination of the Index

The Index Sponsor has the right to temporarily suspend the calculation of the Index following the occurrence of one or more Fund Events and/or one or more Index Events.

Should an adjustment of the Index Concept not be possible or not be reasonable for the Hypothetical Investor or the investors in any Debt Securities, the Index Sponsor has the right to permanently discontinue the calculation of the Index at any time; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

II. Adjustment of the Net Asset Value

In the following cases, the Index Sponsor will, for the purposes of calculating the Index Value, adjust the Net Asset Value of the Reference Fund published by the Management Company:

- a) charges or fees are levied in connection with the issue or redemption of Fund Shares;
- b) a Hypothetical Investor would not have received the aggregate proceeds from the redemption of Fund Shares within the usual period or the period specified in the Fund Documents; or
- c) in the event of (i) the publication of an incorrect Net Asset Value, or (ii) if a Net Asset Value determined and published by the Management Company, as used by the Index Calculation Agent as the basis for the calculation, determination and publication of the Index, is subsequently corrected.

In cases a. and b., the Index Sponsor will adjust the relevant Net Asset Value to replicate the economic effects of the relevant events on the Index, in case c. (i), the Index Sponsor will adjust the relevant Net Asset Value to account for the economic effects of the relevant events on the Index, and in case c. (ii), the Index Calculation Agent will, where necessary, again determine the relevant Net Asset Value (the "**Corrected Net Asset Value**") and again calculate the Index Value on the basis of the Corrected Net Asset Value, taking into account the situation of a Hypothetical Investor.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Net Asset Value in its reasonable discretion (§ 315 BGB). When adjusting the Net Asset Value, the Index Sponsor will take into account the fact that proceeds from the reduction of a Reference Fund may only be allocated to the Reference Index (and vice versa) after the Hypothetical Investor would have received the respective proceeds from the disposal of the Reference Fund or the Money Market Investment.

III. Adjustment of the value of the Reference Index

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Reference Index Value of the Reference Index published by the calculation agent of the Reference Index to account for the economic effects of the relevant events on the Index:

- a) in the event of an error in the calculation of the Reference Index Value identified by the Index Sponsor or the Index Calculation Agent;
- b) in the event of the publication of an incorrect Reference Index Value; or
- c) if a Reference Index Value determined and published by the Reference Index Sponsor, as used by the Index Calculation Agent as the basis for the calculation of the Index, is subsequently corrected.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Reference Index Value in its reasonable discretion (§ 315 BGB). In case c., the Index Sponsor will, where necessary, again determine the relevant Reference Index Value (the "**Corrected Reference Index Value**") and again calculate the Index Value on the basis of the Corrected Reference Index Value.

IV. Market Disruption Events

- a) If the Hypothetical Investor is not able to subscribe for or redeem Fund Shares on an Index Valuation Date, whether because the subscription or redemption of Fund Shares has been suspended or no Net Asset Value has been published for the Reference Fund or such publication will be delayed (a "Reference Fund Market Disruption Event"), the Index Calculation Agent will postpone the calculation, determination and publication of the Index (specifically including the performance of Dynamic Allocation) until such time as the Reference Fund Market Disruption Event ends. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

If the Reference Fund Market Disruption Event continues for more than thirty Banking Days, the Index Calculation Agent will make an estimate of the Net Asset Value taking into account the then prevailing market conditions and the possibilities of the Hypothetical Investor to sell Fund Shares in the market, in order to perform a calculation of the Index (specifically including the performance of Dynamic Allocation), provided that a data basis is available

which is sufficient for the purposes of such estimate. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether a sufficient data basis is available. The estimate will be based on a commercially reasonable assessment.

- b) If a Reference Index Value that is required for the calculation, determination and publication of the Index has not been published on an Index Valuation Date, or such publication will be delayed, the Index Calculation Agent will, in order to calculate the required price of the Reference Index, apply the calculation method described in the description of the Reference Index taking into account the most recently available value of the Reference Index.

Section E. - Corrections

The Index Sponsor may correct or amend contradictory or incomplete provisions in the Index Description in accordance with the provisions applicable to the relevant Debt Securities.

Section F. - Publication

The Index Value is published by the Index Calculation Agent on the website www.onemarkets.de, the Reuters page .UCGRMMBF and on Bloomberg under the ticker UCGRMMBF Index.

All determinations made by the Index Sponsor or the Index Calculation Agent in their reasonable discretion (§ 315 BGB) will be published in accordance with the terms and conditions of the relevant Debt Securities.

Section G. - Governing law

This Index Description is governed by German law.

DESCRIPTION OF HVB MULTI MANAGER BEST SELECT FLEX INDEX II

The following Index Description outlines the key data for the "HVB Multi Manager Best Select Flex Index II" (the "**HVB Multi Manager Best Select Flex Index II**") compiled by the Issuer. This description is subject to amendments or adjustments from time to time after the date of this Base Prospectus in relation to which the Issuer will publish a related supplement to this Base Prospectus.

The HVB Multi Manager Best Select Flex Index II (WKN A163YD / ISIN DE000A163YD0) (the "**Index**") is an index developed and designed by UniCredit Bank AG, Munich, Germany, or any successor thereto (the "**Index Sponsor**") and calculated by UniCredit Bank AG, Munich, Germany, or any successor determined by the Index Sponsor (the "**Index Calculation Agent**") in euro (the "**Index Currency**") in accordance with the index rules set out below (the "**Index Rules**") whose objective is to participate in the performance of the Reference Fund, while aiming to control the frequency and degree of variation in the value (volatility) of the Reference Portfolio (the "**Objective of the Index**").

Section A. - Definitions, general information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

Definitions regarding the Index:

"Banking Day" means each day (other than a Saturday or Sunday) on which the principal domestic clearance system customarily used to settle trades regarding the Index Components and the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) are open.

"Debt Securities" means all outstanding debt securities of a company affiliated with the Index Sponsor (section 15 of the German Stock Corporation Act (*Aktiengesetz*)) at a given time for which payment of principal and/or interest depends on the performance of the Index.

"Fund Event" means any event defined as a Fund Event in *Section D. - I. General Extraordinary Adjustments* of this Index Description.

"Hedging Party" means the Index Sponsor (as at the Index Start Date). The Index Sponsor is entitled at any time to appoint another person or company to act as Hedging Party (the "**Successor Hedging Party**"). The appointment of a Successor Hedging Party will be published in accordance with *Section F. - Publication* of this Index Description.

"Hedging Transactions" means one or more trades, transactions or investments (especially securities (including Fund Shares), options, futures, derivatives and foreign currency transactions, repos or securities lending transactions or other instruments or measures) which are required for an Issuer and/or any Hedging Party to hedge price risks or other risks at standalone or portfolio basis arising from obligations with regard to the Index or with regard to Debt Securities or other financial instruments linked to the Index (i.e. financial instruments whose payments are linked to the performance of the Index). The Index Sponsor will determine in its reasonable discretion (§ 315 of the German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**")) whether any such Hedging Transactions are required.

"Hypothetical Investor" means, in relation to any Fund Shares, a hypothetical investor holding such Fund Shares which (i) has the legal form of a company incorporated in Germany and is a credit institution licensed under Section 32 of the German Banking Act (*Kreditwesengesetz*, KWG) and (ii) is deemed, with respect to the rights and obligations, to have the position of an investor in Fund Shares on the relevant Index Valuation Date, as determined in the Fund Documents, and (iii) is deemed to have the possibilities of such an investor in relation to the subscription and redemption of Fund Shares as at the relevant Index Valuation Date.

"Index Components" means the Fund Shares and the Reference Index included in the Index at any given time.

"Index Event" means any event defined as an Index Event in *Section D. - I. General Extraordinary Adjustments* of this Index Description.

"Index Initial Value" means 100.00.

"**Index Start Date**" means 24 August 2015.

"**Index Valuation Date**" means any Banking Day that is a Reference Index Calculation Date and on which it is actually possible to issue and redeem Fund Shares as described in the Fund Documents.

"**Index Value**" means the value (expressed in euro) of the Index on any given Index Valuation Date as calculated by the Index Calculation Agent.

"**Index(t_j)**" means the Index Value at Index Valuation Date t_j . Index (t_j) is calculated by the Index Calculation Agent for every Index Valuation Date t_j in accordance with the provisions set forth in *Section C. - Calculation of the Index of this Index Description*.

"**Issuer**" means an issuer of Debt Securities.

"**Money Market Investment**" means a hypothetical investment in cash and money market instruments from the European single currency monetary area. The performance of this investment is reflected by the Reference Index.

"**Reference Portfolio**" means a hypothetical portfolio of the Hypothetical Investor which contains both Fund Shares and the Money Market Investment in variable weightings. The Reference Portfolio has a value at the Index Start Date equal to the Index Initial Value (expressed in euro).

" t_j^* " or "**Reinvestment Date**" means, in relation to a Distribution, the Index Valuation Date immediately following the relevant Distribution Payment Date.

" t_j " means the j -th Index Valuation Date. The Index Start Date is labelled with t_0 , previous Index Valuation Dates are labelled with negative indices and subsequent Index Valuation Dates are labelled with positive indices, resulting in $(\dots, t_{-2}, t_{-1}, t_0, t_1, t_2, \dots)$.

" t_{j-p} " is the p -th Index Valuation Date prior to the Index Valuation Date t_j .

" t_{j-p-2} " is the second Index Valuation Date prior to the Index Valuation Date t_{j-p} .

" t_{j-p-3} " is the third Index Valuation Date prior to the Index Valuation Date t_{j-p} .

Definitions regarding the Reference Fund:

"**Auditor**" means Deloitte & Touche GmbH and/or any other auditing firm appointed by the Management Company to audit the Reference Fund and its annual financial statements.

"**Custodian Bank**" means CACEIS Bank Deutschland GmbH and/or any other company appointed by the Management Company to perform depository, accounting, settlement or similar services for the Reference Fund.

" $d(t_j^*)$ " means the present value (in euro) of the relevant Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor in relation to the Distribution) as at the Ex-Date immediately preceding the relevant Reinvestment Date t_j^* .

" $d(t_j)$ " means either (i) $d(t_j^*)$ on each Index Valuation Date t_j between any Ex-Date (inclusive) and the corresponding Reinvestment Date t_j^* (exclusive) or (ii) zero on any other Index Valuation Date t_j .

"**Distribution Payment Date**" means, in relation to a Distribution, the day on which such Distribution would be received by the Hypothetical Investor.

"**Distribution**" means a cash distribution which the Reference Fund would pay per Fund Share to the Hypothetical Investor on a Distribution Payment Date.

"**Ex-Date**" means, in relation to a Distribution, the first day on which the Net Asset Value is published by the Management Company, having been reduced by that Distribution.

"**Fund Documents**" means the annual report and the half-yearly report, the prospectus (including the management regulations, terms and conditions), the key investor information and all other documents of the Reference Fund which specify the terms and conditions of the Reference Fund and the Fund Shares, in each case in the respective valid version. The Fund Documents, in the respective valid version, are available on the website www.pioneerinvestments.de (or any successor site). The information contained therein is also available free of charge at UniCredit Bank AG, LCD7SR, Arabellastraße 12, 81925 Munich, Germany, during normal business hours.

"Fund Management" means the persons responsible for portfolio management and/or risk management of the Reference Fund.

"Fund Service Providers" are the Auditor, the Custodian Bank and the Management Company.

"Fund Share" or **"Fund Shares"** means a unit or share or units or shares in the Reference Fund (WKN A1W9BL / ISIN DE000A1W9BL3 / Bloomberg PBSAEDA GR Equity).

"Management Company" means Pioneer Investments Kapitalanlagegesellschaft mbH, which manages the Reference Fund.

" $n(t_j)$ " means the distribution factor for the Index Valuation Date t_j . On the Index Start Date t_0 , a value of 1.00 is set for the distribution factor ($n(t_0)$). Thereafter, the distribution factor is recalculated by the Index Calculation Agent on each Reinvestment Date t_j^* in accordance with the provisions set out in *Section C. – II. Adjustment of the Distribution Factor* of this Index Description.

" $\tilde{n}(t_j^*)$ " means the distribution factor $n(t_j)$ immediately prior to the Reinvestment Date t_j^* .

"NAV(t_j^*)" means the Net Asset Value of a Fund Share on Reinvestment Date t_j^* .

"NAV(t_{j-1})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-1} .

"NAV(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j .

"NAV^A(t_{j-1})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-1} , after taking into account all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-1} , which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* of this Index Description for the purposes of calculating NAV^A(t_j).

"NAV^A(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j , after taking into account all Distributions made and reinvested since the Index Start Date, if applicable, up to such Index Valuation Date t_j , which is calculated by the Index Calculation Agent in accordance with the formula specified in *Section C. – I. Calculation of the Index Value* of this Index Description.

"NAV^A(t_{j-p-2})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-p-2} , after taking into account all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-p-2} , which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* of this Index Description for the purposes of calculating NAV^A(t_j).

"NAV^A(t_{j-p-3})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-p-3} , after taking into account all Distributions made and reinvested, if applicable, up to such Index Valuation Date t_{j-p-3} , which is calculated by the Index Calculation Agent on the basis of the formula specified in *Section C. – I. Calculation of the Index Value* of this Index Description for the purposes of calculating NAV^A(t_j).

"Net Asset Value" or **"NAV"** means the official net asset value for a Fund Share, as published by the Management Company and at which it is actually possible to redeem Fund Shares.

"Reference Fund" means Pioneer Investments Multi Manager Best Select.

Definitions regarding the Reference Index:

"Reference Index Calculation Agent" means UniCredit Bank AG, Munich, Germany.

"Reference Index Calculation Date" means each day (other than a Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) is open.

"Reference Index Description" means the description of the Reference Index. The respective valid version of the Reference Index Description is published on the website www.onemarkets.de (or any successor site).

"Reference Index Structuring Fee" or **"F_{RI}"** means a rate by which the performance of the Reference Index is reduced. The Reference Index Structuring Fee is 1.00% per annum ($F_{RI} = 1.00\%$).

"Reference Index Value" means the value (expressed in euro) of the Reference Index calculated by the Reference Index Calculation Agent on the basis of the method described in the Reference Index Description at any Reference Index Calculation Date.

"Reference Index" means the HVB 3 Months Rolling Euribor Index (WKN A0QZBZ / ISIN DE000A0QZBZ6 / Reuters .HVB3MRE / Bloomberg HVB3MRE Index), as determined and calculated by UniCredit Bank AG (the **"Reference Index Sponsor"**).

"RIV(t_j)" means the Reference Index Value on Index Valuation Date t_j .

"RIV(t_{j-1})" means the Reference Index Value on Index Valuation Date t_{j-1} .

II. General information, Disclaimer

The information regarding the Reference Fund included in this Index Description is intended solely to inform investors intending to buy Debt Securities and does not constitute a solicitation to buy Fund Shares. Each investor must make its own assessment of the merits of the Reference Fund. When calculating the Index Value, the Index Calculation Agent must rely upon statements, confirmations, computations, assurances and other information provided by third parties, the correctness and reliability of which it largely does not verify and for the correctness of which it accepts no responsibility. Any inaccuracies contained in such information may have an impact on the calculation of the Index Value without any fault attaching to the Index Calculation Agent. Neither the Index Sponsor nor the Index Calculation Agent has any obligation to verify this information independently.

The Index exists exclusively in the form of sets of data records and does not convey any direct or indirect legal or beneficial interest or ownership in the Index Components. Each of the allocations described herein within the Reference Portfolio is only carried out hypothetically by modifying such records. Neither the Index Sponsor nor the Index Calculation Agent, any Issuer or the Hedging Party is under any obligation to directly or indirectly acquire the Index Components. Fees or rebates, if any, received by the Index Sponsor in its capacity as Hedging Party from the Management Company in relation to holdings in the Reference Fund will not be distributed to the holders of Debt Securities or reinvested in the Index, but will be taken into account by the Index Sponsor in its capacity as Hedging Party in its internal pricing models by means of lower costs for the earnings mechanism. Distributions made by the Reference Fund will not be distributed to the holders of Debt Securities, but will be reinvested in the Index.

Section B. - General information regarding the Index

I. Objective of the Index

The Index reflects the performance of the Reference Portfolio.

In order to pursue the Objective of the Index, the participation in the Reference Fund will be reduced partially or completely if the Reference Fund exhibits a high volatility (volatility is an indicator of the frequency and degree of variation in value), and the participation in the Money Market Investment will be increased accordingly. Conversely, the participation in the Money Market Investment will be reduced partially or completely if the Reference Fund shows a low volatility, and the participation in the Reference Fund will be increased accordingly.

However, there is no guarantee that the Reference Portfolio and hence the Index will achieve the objectives described here.

II. Index Sponsor and Index Calculation Agent

The Index Sponsor creates the Index by selecting the Index Components and by determining the method used to calculate and publish the Index Value (the **"Index Concept"**). The Index Sponsor will make any decisions, determinations and specifications with regard to the Index in its reasonable discretion (§ 315 BGB).

The Index Calculation Agent conducts all calculations with regard to the Index in accordance with this Index Description, and monitors and maintains certain index data for this purpose. The Index Calculation Agent will act with the due care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmannes*) in performing its duties in accordance with this Index Description. The Index Sponsor and the Index Calculation Agent accept no liability except in the event of wilful misconduct or gross negligence.

The Index Calculation Agent may at any time seek advice from third parties with regard to its obligations described herein. The Index Calculation Agent may resign at any time, provided that, for

as long as Debt Securities are still outstanding, the resignation will take effect only if (i) a successor Index Calculation Agent is appointed by the Index Sponsor, (ii) such successor Index Calculation Agent accepts the appointment, and (iii) the successor Index Calculation Agent assumes the rights and obligations of the Index Calculation Agent. Such replacement of the Index Calculation Agent will be published in accordance with *Section F. - Publication* of this Index Description.

Neither the Index Sponsor nor any other person related to the Index acts in any fiduciary or advisory capacity for any holder of Debt Securities.

Section C. - Calculation of the Index

I. Calculation of the Index Value

The Index Value (Index(t_j)) is calculated by the Index Calculation Agent for each Index Valuation Date t_j (where j = 1, 2, ...) after the Index Start Date in accordance with the following formula:

$$Index(t_j) = Index(t_{j-1}) \times [1 + w(t_{j-1}) \times Return_1(t_j) + (1-w(t_{j-1})) \times Return_2(t_j)]$$

where the return of the Reference Fund since the previous Index Valuation Date t_{j-1} (referred to as Return₁(t_j)) is calculated as follows:

$$Return_1(t_j) = \frac{NAV^A(t_j) - NAV^A(t_{j-1})}{NAV^A(t_{j-1})}$$

where

$$NAV^A(t_j) = n(t_j) \times (NAV(t_j) + d(t_j))$$

and the return of the Money Market Investment is calculated on the basis of the Reference Index and reduced by the proportionate Reference Index Structuring Fee since the previous Index Valuation Date t_{j-1} (referred to as Return₂(t_j)), as follows:

$$Return_2(t_j) = \frac{RIV(t_j) - RIV(t_{j-1})}{RIV(t_{j-1})} - \frac{F_{RI}}{360} \times \Delta(t_{j-1}, t_j)$$

where

"w(t_{j-1})" denotes the weighting of the Reference Fund (as defined in *Section C. - III. Dynamic Allocation Rules* below), calculated for the Index Valuation Date t_{j-1};

"Δ(t_{j-1}, t_j)" denotes the number of calendar days from Index Valuation Date t_{j-1} (exclusive) to Index Valuation Date t_j (inclusive).

Under normal circumstances, the Index Value at an Index Valuation Date is calculated on the following Banking Day (each an "**Index Calculation Date**") after the Index Calculation Agent has received the relevant Net Asset Value of the Reference Fund.

II. Adjustment of the Distribution Factor

On each Reinvestment Date t^{*}_j, the distribution factor n(t^{*}_j) is recalculated by the Index Calculation Agent in a way so that it notionally equals a reinvestment of the present value (in euro) of the related Distribution (less costs and taxes, if any, incurred by the Hypothetical Investor) in Fund Shares. Expressed as a formula, this means:

$$n(t^*_j) = \tilde{n}(t^*_j) + \frac{\tilde{n}(t^*_j) \times d(t^*_j)}{NAV(t^*_j)}$$

III. Dynamic Allocation Rules

The weighting of the Index Components in the Reference Portfolio is redetermined on each Index Valuation Date t_j (where j = 0, 1, 2,...) as follows ("**Dynamic Allocation**"):

Firstly, the Index Calculation Agent calculates the realised degree of variation (realised volatility) of the Reference Fund ($\sigma_R(t_j)$), using the continuous daily returns of the Reference Fund over a period of twenty consecutive Index Valuation Dates which is normalised to an annual figure for the volatility. The period observed (the "**Volatility Period**") commences with the 21st Index Valuation Date prior to the relevant Index Valuation Date t_j and ends with the second Index Valuation Date prior to the relevant Index Valuation Date t_j . Continuous return means the logarithm of the change in the Net Asset Value between two consecutive Index Valuation Dates.

The realised volatility of the Reference Fund on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) is calculated as follows:

$$\sigma_R(t_j) = \sqrt{\frac{\sum_{p=0}^{19} \left(\text{Ln} \left[\frac{NAV^A(t_{j-p-2})}{NAV^A(t_{j-p-3})} \right] \right)^2 - \frac{1}{20} \times \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{NAV^A(t_{j-p-2})}{NAV^A(t_{j-p-3})} \right] \right)^2}{19}} \times \sqrt{252}$$

where

"Ln[x]" denotes the natural logarithm of a value x.

Next, the Index Calculation Agent determines the weighting of the Reference Fund for the corresponding Index Valuation Date t_j ($w(t_j)$) using the following Allocation Table and the realised volatility of the Reference Fund calculated in accordance with the formula described above. The greater the realised volatility of the Reference Fund, the lower the weighting of the Reference Fund and vice versa.

"Allocation Table":

Realised volatility of the Reference Fund $\sigma_R(t_j)$	Weighting $w(t_j)$
$\sigma_R(t_j) < 5.00\%$	100%
$5.00\% \leq \sigma_R(t_j) < 5.20\%$	96%
$5.20\% \leq \sigma_R(t_j) < 5.40\%$	92%
$5.40\% \leq \sigma_R(t_j) < 5.70\%$	88%
$5.70\% \leq \sigma_R(t_j) < 5.95\%$	84%
$5.95\% \leq \sigma_R(t_j) < 6.10\%$	82%
$6.10\% \leq \sigma_R(t_j) < 6.25\%$	80%
$6.25\% \leq \sigma_R(t_j) < 6.40\%$	78%
$6.40\% \leq \sigma_R(t_j) < 6.60\%$	76%
$6.60\% \leq \sigma_R(t_j) < 6.75\%$	74%
$6.75\% \leq \sigma_R(t_j) < 6.95\%$	72%
$6.95\% \leq \sigma_R(t_j) < 7.15\%$	70%
$7.15\% \leq \sigma_R(t_j) < 7.35\%$	68%

$7.35\% \leq \sigma_R(t_j) < 7.55\%$	66%
$7.55\% \leq \sigma_R(t_j) < 7.95\%$	63%
$7.95\% \leq \sigma_R(t_j) < 8.30\%$	60%
$8.30\% \leq \sigma_R(t_j) < 8.75\%$	57%
$8.75\% \leq \sigma_R(t_j) < 9.25\%$	54%
$9.25\% \leq \sigma_R(t_j) < 9.80\%$	51%
$9.80\% \leq \sigma_R(t_j) < 10.40\%$	48%
$10.40\% \leq \sigma_R(t_j) < 11.10\%$	45%
$11.10\% \leq \sigma_R(t_j) < 11.90\%$	42%
$11.90\% \leq \sigma_R(t_j) < 12.80\%$	39%
$12.80\% \leq \sigma_R(t_j) < 13.90\%$	36%
$13.90\% \leq \sigma_R(t_j) < 14.50\%$	32%
$14.50\% \leq \sigma_R(t_j) < 15.50\%$	28%
$15.50\% \leq \sigma_R(t_j) < 16.50\%$	24%
$16.50\% \leq \sigma_R(t_j) < 18.00\%$	20%
$18.00\% \leq \sigma_R(t_j) < 20.00\%$	15%
$20.00\% \leq \sigma_R(t_j) < 22.00\%$	10%
$22.00\% \leq \sigma_R(t_j) < 24.00\%$	5%
$24.00\% \leq \sigma_R(t_j)$	0%

When performing the Dynamic Allocation, the Index Calculation Agent will take into account the possibilities of the Hypothetical Investor to subscribe or redeem Fund Shares (where appropriate taking into consideration subscription and redemption periods of the Reference Fund or if the Reference Fund makes use of provisions which result in a partial execution of subscription or redemption requests). This may result in a delayed or gradual implementation of Dynamic Allocation.

The Index Calculation Agent carries out its obligations described herein on the relevant Banking Days. Where it is necessary to carry out one of the obligations described herein on a different Banking Day, the Index Calculation Agent will postpone the relevant obligation to this other Banking Day. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether this is necessary.

Section D. - Extraordinary Adjustments and Market Disruptions

I. General Extraordinary Adjustments

Adjustments with regard to the Reference Fund

If the Index Sponsor determines the occurrence of one or more Fund Events, then it will, if necessary, adjust the Index Concept in such a way that the economic position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Fund Adjustment**"). The Index

Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Fund Adjustment, the Index Sponsor may specifically:

- a. replace the Reference Fund and the Fund Shares, in full or in part, with a fund and fund units or shares with commercially equivalent liquidity, distribution policy and investment strategy (the "**Successor Reference Fund**", and its units or shares the "**Successor Fund Shares**") in the amount of the liquidation proceeds of the Reference Fund that the Hypothetical Investor would have received within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Reference Fund or the Successor Fund Shares, as applicable;
- b. replace the Reference Fund with an index having a commercially equivalent investment strategy (the "**Successor Index**") in the amount of the liquidation proceeds of the Reference Fund that the Hypothetical Investor would have received within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Index, each reference to the Net Asset Value will be deemed to refer to the official closing price of the Successor Index, and each reference to the Management Company will be deemed to refer to the index sponsor of the Successor Index; or
- c. adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Fund Event;

(where necessary also adjusting the weighting of the Index Components now included in the Index). Any such Reference Fund Adjustment will be published in accordance with *Section F. - Publication of this Index Description*.

Should the Reference Fund be replaced in accordance with a. or b. resulting in the loss or the reduction of the remunerations received by the Index Sponsor in its function as Hedging Party from the Management Company in relation to any holdings in the Reference Fund, the Index Calculation Agent will introduce a structuring fee on the return of the Fund Shares, i.e. the Return₁ (as defined in *Section C. - I. Calculation of the Index Value* of this Index Description) is reduced by this structuring fee, the structuring fee being expressed as an annual percentage, on a daily basis in the same way as Return₂ is calculated. This structuring fee (i) amounts to 1.00% p.a. in the case of a Successor Index, or (ii) in the case of a Successor Reference Fund, is calculated as the difference between 1.00% p.a. and the expected reduced management fee rebate for holdings of the Successor Reference Fund expressed as an annual percentage. The structuring fee will not exceed 1.00% p.a. The introduction of such a structuring fee and its level will be published in accordance with *Section F. - Publication of this Index Description*.

"Fund Event" means any of the following events:

- a. changes are made in any of the Fund Documents without the consent of the Index Sponsor which affect the ability of the Hedging Party to maintain its Hedging Transactions, in particular changes with respect to (i) the risk profile of the Reference Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Reference Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the Net Asset Value, or (v) the timetable for the subscription, issue, redemption and/or transfer of Fund Shares; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- b. requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- c. fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Reference Fund was included in the Index);

- d. the Reference Fund or the Management Company or the Fund Service Provider appointed for this purpose by the Reference Fund or the Management Company fails to publish the Net Asset Value as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- e. a change in the legal form of the Reference Fund;
- f. a change of key persons in key positions of the Management Company or the Fund Management;
- g. (i) any change in the legal, accounting, tax or regulatory treatment of the Reference Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of the authorisation or registration of the Reference Fund or the Management Company; or (iii) the suspension, cancellation, revocation or absence of a distribution authorisation for the Reference Fund or the Management Company by the competent authority; or (iv) the initiation of investigatory proceedings by supervisory authorities, conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Management Company, a Fund Service Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h. a material breach by the Reference Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Reference Fund (as defined in the Fund Documents) and a breach by the Reference Fund or the Management Company of statutory or regulatory provisions; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such breach has occurred;
- i. a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital to be held by the Hedging Party with respect to its Hedging Transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- j. a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which would make it unlawful or impracticable for the Hedging Party to maintain its Hedging Transactions or which would result in significantly increased costs; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- k. the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into Hedging Transactions is more than 20% of the outstanding Fund Shares of the Reference Fund;
- l. the Hedging Party is required to consolidate the Reference Fund as a result of accounting or other regulations;
- m. the sale or redemption of Fund Shares for mandatory reasons for the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding Hedging Transactions;
- n. an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of an investor in the Reference Fund for reasons outside the control of that investor, (iii) the subdivision, consolidation or reclassification of the Fund Shares or any other measure that has a diluting or concentrative effect on the theoretical value of a Fund Share, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash, or (v) the creation of so-called side pockets for segregated assets of the Reference Fund;
- o. the Management Company or a Fund Service Provider discontinues its services for the Reference Fund or loses its licence, registration, approval or authorisation and is not immediately replaced by another service provider which in the reasonable discretion of the Index Sponsor (§ 315 BGB) is of similarly good standing;

- p. (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of settlement, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder, or (iv) the legal prohibition of transfers of the Fund Shares by investors;
- q. the initiation of settlement, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Management Company;
- r. the Index Sponsor loses the right to use the Reference Fund as the basis for the calculation, determination and publication of the Index;
- s. a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer or the Hedging Party in the reasonable discretion (§ 315 BGB) of the Index Sponsor;
- t. no notification is given of the bases of taxation for the Reference Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*; "**InvStG**") or any successor legislation, or the Reference Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG or any successor legislation in the future;
- u. changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's distributions or distributions that diverge significantly from the Reference Fund's normal distribution policy to date;
- v. the Reference Fund or the Management Company or a company affiliated with it breaches the agreement entered into with the Index Sponsor, an Issuer or the Hedging Party in relation to the terms and conditions for the subscription or redemption of Fund Shares or any fees agreed in connection with any holdings of Fund Shares held by the Index Sponsor in its capacity as Hedging Party in a significant respect or terminates that agreement;
- w. the Reference Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Sponsor with information that the latter reasonably considers necessary to enable it to monitor the Reference Fund's compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- x. the Reference Fund or the Management Company fails to provide the Index Sponsor with the audited annual report and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- y. any other event that could have a noticeable adverse effect on the Net Asset Value of the Reference Fund or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis;

to the extent that the financial position of a Hypothetical Investor or of the Hedging Party or of the holders of Debt Securities suffers a significant adverse change as a result, as determined by the Index Sponsor in its reasonable discretion (§ 315 BGB).

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of a Fund Event will be published in accordance with *Section F. - Publication of this Index Description*.

Adjustments with regard to the Reference Index

If the Index Sponsor determines the occurrence of one or more Index Events, it will, if necessary, adjust the Index Concept in such a way that the economic position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Index Adjustment**"). The Index Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Index Adjustment, the Index Sponsor may specifically:

- a. replace the Reference Index with a new index (the "**Successor Reference Index**") that has a methodology that is economically equivalent to the greatest extent possible (including in particular the tracking of a money market investment, using rolling money market returns). However, the Successor Reference Index may use differing tenors for the Reference Rates and differing rolling intervals. In this event, each reference to the Reference Index will be deemed to refer to the Successor Reference Index;
- b. adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Index Event;

(where necessary also adjusting the weighting of the Index Components now included in the Index).

"**Index Event**" means any of the following events occurring on or after the Index Start Date:

- a. changes or modifications are made to the method of calculation, determination and publication of the Reference Index, as described in the Reference Index Description, without the consent of the Index Sponsor which affect the ability of the Hedging Party to hedge its obligations under the Hedging Transactions (in particular changes with respect to (i) the risk profile of the Reference Index, or (ii) the Reference Index is no longer calculated in euro); the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change or modification has occurred;
- b. the historic 30-day volatility of the Reference Index exceeds a volatility level of 2.5%; where $\sigma_{EI}(t_j)$ means the annualised volatility calculated on the basis of the daily logarithmic changes in the value of the Reference Index over the immediately preceding 30 Reference Index Calculation Dates of the Reference Index on a Banking Day (t). $\sigma_{EI}(t_j)$ is calculated in accordance with the following formula:

$$\sigma_{EI}(t_j) = \frac{\sqrt{\sum_{p=0}^{29} \left(\text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2 - \frac{1}{30} \times \left(\sum_{p=0}^{29} \text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2}}{29} \times \sqrt{252}$$

Where:

"**Ln[x]**" denotes the natural logarithm of a value x;

"**RIV(t_{j-q})**" means the Reference Index Value on the q-th Index Valuation Date prior to Index Valuation Date t_j.

- c. the calculation or publication of the Reference Index is discontinued;
- d. the Reference Index no longer corresponds to the objective of a low-risk investment that is free of currency risk for the Hypothetical Investor. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether this is the case;
- e. any other event that, in the reasonable discretion (§ 315 BGB) of the Index Sponsor, could have a noticeable adverse effect on the Reference Index Value or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis.

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of an Index Event will be published in accordance with *Section F. - Publication* of this Index Description.

Termination of the Index

The Index Sponsor has the right to temporarily suspend the calculation of the Index following the occurrence of one or more Fund Events and/or one or more Index Events.

Should an adjustment of the Index Concept not be possible or not be reasonable for the Hypothetical Investor or the investors in any Debt Securities, the Index Sponsor has the right to permanently discontinue the calculation of the Index at any time; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

II. Adjustment of the Net Asset Value

In the following cases, the Index Sponsor will, for the purposes of calculating the Index Value, adjust the Net Asset Value of the Reference Fund published by the Management Company:

- a. charges or fees are levied in connection with the issue or redemption of Fund Shares;
- b. a Hypothetical Investor would not have received the full proceeds from the redemption of Fund Shares within the usual period or the period specified in the Fund Documents; or
- c. in the event of (i) the publication of an incorrect Net Asset Value, or (ii) if a Net Asset Value determined and published by the Management Company, as used by the Index Calculation Agent as the basis for the calculation, determination and publication of the Index, is subsequently corrected.

In cases a) and b), the Index Sponsor will adjust the relevant Net Asset Value to replicate the economic effects of the relevant events on the Index; in case c) (i), the Index Sponsor will adjust the relevant Net Asset Value to account for the economic effects of the relevant events on the Index; and in case c) (ii), the Index Calculation Agent will, where necessary, again determine the relevant Net Asset Value (the "**Corrected Net Asset Value**") and recalculate the Index Value on the basis of the Corrected Net Asset Value, taking into account the situation of a Hypothetical Investor.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Net Asset Value in its reasonable discretion (§ 315 BGB). When adjusting the Net Asset Value, the Index Sponsor will take into account the fact that proceeds from the reduction of a Reference Fund may only be allocated to the Reference Index (and vice versa) after the Hypothetical Investor would have received the respective proceeds from the disposal of the Reference Fund or the Money Market Investment.

III. Adjustment of the value of the Reference Index

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Reference Index Value of the Reference Index published by the Reference Index Calculation Agent of the Reference Index to account for the economic effects of the relevant events on the Index:

- a. in the event of an error in the calculation of the Reference Index Value identified by the Index Sponsor or the Index Calculation Agent;
- b. in the event of the publication of an incorrect Reference Index Value; or
- c. if a Reference Index Value determined and published by the Reference Index Sponsor, as used by the Index Calculation Agent as the basis for the calculation of the Index, is subsequently corrected.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Reference Index Value in its reasonable discretion (§ 315 BGB). In case c., the Index Calculation Agent will, where necessary, again determine the relevant Reference Index Value (the "**Corrected Reference Index Value**") and recalculate the Index Value on the basis of the Corrected Reference Index Value.

IV. Market Disruption Events

- a. If the Hypothetical Investor is not able to subscribe for or redeem Fund Shares on an Index Valuation Date, whether because the subscription or redemption of Fund Shares has been suspended or no Net Asset Value has been published for the Reference Fund or such publication will be delayed (a "Reference Fund Market Disruption Event"), the Index Calculation Agent will postpone the calculation, determination and publication of the Index (specifically including the realisation of the Dynamic Allocation) until such time as the Reference Fund Market Disruption Event ends. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

If the Reference Fund Market Disruption Event continues for more than thirty Banking Days, the Index Calculation Agent will make an estimate of the Net Asset Value taking into account the then prevailing market conditions and the possibilities of the Hypothetical Investor to sell Fund Shares in the market, in order to calculate the Index (specifically including the

realisation of the Dynamic Allocation), provided that a data basis is available which is sufficient for the purposes of such estimate. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether a sufficient data basis is available. The estimate will be based on a commercially reasonable assessment.

- b. If a Reference Index Value that is required for the calculation, determination and publication of the Index has not been published on an Index Valuation Date, or such publication will be delayed, the Index Calculation Agent will, in order to calculate the required price of the Reference Index, apply the calculation method described in the description of the Reference Index taking into account the most recently available value of the Reference Index.

Section E. - Corrections

The Index Sponsor may correct or amend contradictory or incomplete provisions in the Index Description in accordance with the provisions applicable to the relevant Debt Securities.

Section F. - Publication

The Index Value is published by the Index Calculation Agent on the website www.onemarkets.de, the Reuters page .UCGRMMB2 and on Bloomberg under the ticker UCGRMMB2 Index.

All determinations made by the Index Sponsor or the Index Calculation Agent in their reasonable discretion (§ 315 BGB) will be published in accordance with the terms and conditions of the relevant Debt Securities.

Section G. - Governing law

This Index Description is governed by German law.

DESCRIPTION OF HVB VERMÖGENSDEPOT WACHSTUM FLEX INDEX II

The following Index Description outlines the key data for the "HVB Vermögensdepot Wachstum Flex Index II" (the "**VDP II Index**") compiled by the Issuer. This description is subject to amendments or adjustments from time to time after the date of this Base Prospectus in relation to which the Issuer will publish a related supplement to this Base Prospectus.

The HVB VERMÖGENSDEPOT WACHSTUM FLEX INDEX II (WKN A1PHN2 / ISIN DE000A1PHN28) (the "**Index**") is an index developed and designed by UniCredit Bank AG, Munich, Germany, or any successor thereto (the "**Index Sponsor**") and calculated by UniCredit Bank AG, Munich, Germany, or any successor determined by the Index Sponsor (the "**Index Calculation Agent**") in euro (the "**Index Currency**") in accordance with the index rules set out below (the "**Index Rules**") whose objective is to participate in the performance of the Reference Fund, while aiming to control the degree of variation (volatility) of the Reference Portfolio (the "**Objective of the Index**").

Section A. - Definitions, general information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

Definitions regarding the Index:

"Banking Day" means each day (other than a Saturday or Sunday) on which the principal domestic clearance system customarily used to settle trades regarding the Index Components and the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) are open.

"Debt Securities" means all outstanding debt securities of a company affiliated with the Index Sponsor (section 15 of the German Stock Corporation Act (*Aktiengesetz*)) at a given time for which payment of principal and/or interest depends on the performance of the Index.

"Hedging Party" means the Index Calculation Agent (as at the Index Start Date). The Index Calculation Agent is entitled at any time to appoint another person or company to act as Hedging Party (the "**Successor Hedging Party**"). The appointment of a Successor Hedging Party will be published in accordance with *Section G - Publication of this Index Description*.

"Hedging Transactions" means one or more trades, transactions or investments (especially securities (including Fund Shares), options, futures, derivatives and foreign currency transactions, repos or securities lending transactions or other instruments or measures) which are required for an Issuer and/or any Hedging Party to hedge price risks or other risks at standalone or portfolio basis arising from obligations with regard to the Index or with regard to Debt Securities or other financial instruments linked to the Index. The Index Calculation Agent will determine in its reasonable discretion (§ 315 of the German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**")) whether any such Hedging Transactions are required.

"Hypothetical Investor" means a company incorporated in Germany and holding Fund Shares of the Reference Fund.

"Index Components" means the Fund Shares and the Money Market Investment included in the Index at any given time.

"Index Initial Value" means 100.00.

"Index Start Date" means 1 June 2012.

"Index Valuation Date" means any Banking Day that is a Reference Index Calculation Date and on which it is actually possible to issue and redeem Fund Shares as described in the Fund Documents.

"Index Value" means the value (expressed in euro) of the Index on any given Index Valuation Date as calculated by the Index Calculation Agent.

"Index(t_j)" means the Index Value at Index Valuation Date t_j . Index (t_j) is calculated by the Index Calculation Agent for every Index Valuation Date t_j in accordance with the provisions set forth in *Section D - Calculation of the Index of this Index Description*.

"Issuer" means an issuer of Debt Securities or other financial instruments linked to the Index.

"Money Market Investment" means a hypothetical investment in cash and money market instruments from the European single currency area. The performance of this investment is reflected by the Reference Index.

"Reference Portfolio" means a hypothetical portfolio of a Hypothetical Investor which contains both Fund Shares and the Money Market Investment in variable weightings. The Reference Portfolio has a value at the Index Start Date equal to the Index Initial Value (expressed in euro).

" t_j " means the j -th Index Valuation Date. The Index Start Date is shown as t_0 , previous Index Valuation Dates are shown as negative indices and subsequent Index Valuation Dates as positive indices, resulting in (... , $t-2$, $t-1$, t_0 , t_1 , t_2 , ...).

Definitions regarding the Reference Fund:

"Auditor" means KPMG AG and/or any other auditing firm appointed by the Management Company to audit the Reference Fund and its annual financial statements.

"Custodian Bank" means CACEIS Bank Deutschland GmbH and/or any other company appointed by the Management Company to perform custodial, accounting, settlement or similar services for the Reference Fund.

"Fund Documents" means the annual and the half-yearly report, the prospectus (including fund rules), the key investor information and all other documents of the Reference Fund which specify the terms and conditions of the Reference Fund and the Fund Shares, as amended. The Fund Documents, as amended, are available on the website www.pioneerinvestments.de (or any successor site). The information contained therein is also maintained by UniCredit Bank AG, LCI4SS, Arabellastraße 12, 81925 Munich, Germany, to be issued to the public free of charge during normal business hours.

"Fund Share" or **"Fund Shares"** means a share or shares in the Reference Fund (WKN A0M035 / ISIN DE000A0M0358 / Bloomberg HVBPRWP GR Equity).

"Investment Adviser" means UniCredit Bank AG (at the Index Start Date). The Management Company may appoint a different person or company to act as Investment Adviser at any time.

"Management Company" means Pioneer Investments Kapitalanlagegesellschaft mbH, which manages the Reference Fund.

"NAV(t_j)" means the Net Asset Value of a Fund Share on Index Valuation Date t_j .

"Net Asset Value" or **"NAV"** means the official net asset value for a Fund Share, as published by the Management Company and at which it is actually possible to redeem Fund Shares.

"Reference Fund" means HVB Vermögensdepot privat Wachstum PI.

Definitions regarding the Reference Index:

"Reference Index Calculation Agent" means UniCredit Bank AG, Munich, Germany.

"Reference Index Calculation Date" means each day (other than a Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) is open.

"Reference Index Description" means the description defining the method used to calculate the Reference Index, as amended. The Reference Index Description at the Index Start Date is included in this Index Description in *Section C - II. Description of the Reference Index* - HVB 3 Months Rolling Euribor Index, and a current version of the Reference Index Description, as amended, is available on the website www.onemarkets.de (or any successor site).

"Reference Index Value" means the value (expressed in euro) of the Reference Index calculated by the Reference Index Calculation Agent on the basis of the method described in the Reference Index Description at any Reference Index Calculation Date.

"Reference Index" means the HVB 3 Months Rolling Euribor Index (WKN A0QZBZ / ISIN DE000A0QZBZ6 / Reuters .HVB3MRE / Bloomberg HVB3MRE Index), as determined and calculated by UniCredit Bank AG (the "Reference Index Sponsor").

"RIV(t_j)" means the Reference Index Value on Index Valuation Date t_j .

"**Synthetic Dividend**" or "**Div**" means a rate by which the performance of the Reference Index is reduced. The Synthetic Dividend is 1.55% per annum (Div = 1.55%).

II. General information

Where information is provided in this Index Description with respect to the Reference Fund, such information is based exclusively on information taken from the Fund Documents and from the website of the Management Company. The responsibility of the Index Calculation Agent is limited to reproducing such publicly available information accurately and to ensuring that no facts are omitted that would otherwise result in a false, incomplete or misleading representation herein to the extent that this is evident for the Index Calculation Agent and to the extent that this is demonstrable for the Index Calculation Agent from the information published by the Management Company. In particular, neither the Index Sponsor nor the Index Calculation Agent nor any other person or company that provides services in connection with the Index accepts any responsibility for the correctness or completeness of the present description and the underlying information or for the event that any circumstances have arisen that could impair its correctness or completeness. The information herein is given as at 4 June 2012. For further and current information regarding the Reference Fund, please refer to the website of the Management Company www.pioneerinvestments.de (or any successor site).

When calculating the Index Value, the Index Calculation Agent must rely upon statements, confirmations, computations, assurances and other information provided by third parties, the correctness and reliability of which it largely does not verify and for the correctness of which it accepts no responsibility. Any inaccuracies contained in such information may have an impact on the calculation of the Index Value without any fault attaching to the Index Calculation Agent. The Index Calculation Agent has no obligation to verify this information independently.

The Index exists exclusively in the form of sets of data records and does not convey any direct or indirect legal or beneficial interest or ownership in the Index Components. Each of the allocations described herein within the Reference Portfolio is only carried out hypothetically by modifying such records. The Index Calculation Agent, any Issuer and the Hedging Party are under no obligation to directly or indirectly acquire the Index Components.

Section B. - General information regarding the Index

I. Objective of the Index

The Index reflects the performance of the Reference Portfolio.

The economic objective of the Reference Portfolio is to participate in the performance of the Reference Fund, while aiming to control the degree of variation (volatility) of the Reference Portfolio. To this end, the participation in the Reference Fund will be reduced in part or in full in the event of high volatility of the Reference Fund, and the participation in the Money Market Investment will be increased accordingly. Conversely, the participation in the Money Market Investment will be reduced in part or in full in the event of low volatility of the Reference Fund, and the participation in the Reference Fund will be increased accordingly.

However, there is no guarantee that the Reference Portfolio and hence the Index will achieve the objectives described here.

For the purposes of calculating the Index, the Money Market Investment is reflected by the Reference Index (as described in *Section C - II. Description of the Reference Index - HVB 3 Months Rolling Euribor Index* of this Index Description).

II. Index Sponsor and Index Calculation Agent

The Index Sponsor compiles the Index by selecting the Index Components and by determining the method used to calculate and publish the Index Value (the "**Index Concept**").

The Index Calculation Agent conducts all calculations, determinations and definitions with the regard to the Index in accordance with this Index Description, and monitors and updates certain index data for this purpose.

The Index Calculation Agent may at any time in its sole discretion seek advice from third parties with regard to its obligations described herein. The Index Calculation Agent may resign at any time,

provided that, for as long as Debt Securities are still outstanding, the resignation will take effect only if (i) a successor Index Calculation Agent is appointed, (ii) such successor Index Calculation Agent accepts the appointment, and (iii) the successor Index Calculation Agent assumes the rights and obligations of the Index Calculation Agent. Such replacement of the Index Calculation Agent will be published in accordance with *Section G - Publication of this Index Description*.

The Index Calculation Agent will act with the due care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmannes*) in carrying out all calculations, determinations and definitions with regard to the Index in accordance with this Index Description. The Index Sponsor and the Index Calculation Agent accept no liability except in the event of wilful misconduct or gross negligence.

Neither the Index Sponsor nor any other person related to the Index acts in any fiduciary or advisory capacity for any holder of Debt Securities.

Section C. - Description of the Reference Fund and the Reference Index

I. Description of the Reference Fund - HVB Vermögensdepot privat Wachstum PI

The information regarding the Reference Fund included in this Index Description is intended solely to inform investors wishing to buy Debt Securities or other financial instruments linked to the Index and does not constitute a solicitation to buy Fund Shares. Such information is provided for convenience only, its completeness or correctness does not form part of the basis of the purchase of Debt Securities or other financial instruments linked to the Index. Such financial instruments are merely intended to enable investors to make a volatility-based synthetic investment in the Reference Fund; each investor must make its own assessment of the merits of the Reference Fund.

Fund portrait

HVB Vermögensdepot privat Wachstum PI is a mixed fund (*gemischtes Sondervermögen*) as defined by the German Investment Act (*Investmentgesetz*; "**InvG**"), which may invest flexibly in various asset classes. The Reference Fund was set up on 11 February 2008 for an indefinite period and is managed by the Management Company. The Management Company has appointed the Investment Adviser to act as investment adviser for the Reference Fund. The Reference Fund is designed as a fund of funds and pursues a growth-oriented or limited-risk investment strategy. Medium opportunities are set against medium risks.

The Reference Fund invests on a regular basis in passive instruments such as exchange-traded funds (ETFs) or index-oriented funds. It is, however, also permitted to make use of instruments such as actively managed funds, certificates, interest-bearing securities, money market funds or bank balances on a case-by-case basis.

Investment strategy and investment principles

The Management Company may, within the framework of the German Investment Act (InvG) and the investment limits described in greater detail in the Fund Documents, acquire the following assets for the Reference Fund:

- securities in accordance with section 47 InvG;
- money market instruments in accordance with section 48 InvG;
- bank balances in accordance with section 49 InvG;
- investment shares or units in accordance with section 50 and section 84 (1) no. 2 a) InvG and shares in investment stock corporations in accordance with section 84 (1) no. 3 a) InvG;
- derivatives in accordance with section 51 InvG;
- other investment instruments in accordance with section 52 InvG.

Investment shares or units as defined in sections 90g to 90k InvG (Other funds) and/or section 112 InvG (Funds with additional risks) and/or shares in investment stock corporations whose articles of association permit a form of investment comparable to that defined in sections 90g to 90k InvG or section 112 InvG, and shares or units in comparable non-German investment funds may not be acquired for the Reference Fund.

Furthermore, the Management Company may, in accordance with the provisions of the InvG and the Fund Documents:

- take out loans;
- grant securities loans;
- enter into repurchase agreements.

The Reference Fund may invest up to 70% of the aggregate value of the Reference Fund in the following assets:

- exchange-traded funds (ETFs) and/or index-oriented funds, each of which track the performance of stock indices; and/or
- certificates on equities and/or equity-related securities; and/or
- equity funds with a risk profile that typically correlates with one or more stock markets; and/or
- equities and/or profit-participation certificates and/or convertible bonds.

The Reference Fund must invest at least 20% of the aggregate value of the Reference Fund in the following assets:

- exchange-traded funds (ETFs) and/or index-oriented funds, each of which track the performance of bond indices; and/or
- certificates on bonds and/or bond-related securities; and/or
- bond funds with a risk profile that typically correlates with one or more bond markets; and/or
- bank balances in accordance with section 49 InvG and/or money market instruments in accordance with section 48 InvG and/or money market funds; and/or
- interest-bearing securities.

Costs and commissions of the Reference Fund

The Management Company receives an annual fee of up to 2.5% of the value of the Reference Fund for its management services. The amount is calculated on the basis of the value of the Reference Fund determined on each exchange business day. The Investment Adviser receives a fee from the Management Company out of the management fee of the Management Company for the services that it performs for the Reference Fund. The Custodian Bank receives an annual fee of up to 0.2% of the value of the Reference Fund (plus any applicable statutory value-added tax). In addition to the fees mentioned above, the following costs are charged to the Reference Fund:

- the costs incurred in connection with the purchase and sale of assets;
- normal bank custody fees, where appropriate including the normal bank costs for the safekeeping of non-German securities outside of Germany;
- normal costs and fees accruing in connection with the opening of bank accounts and depositary accounts with foreign banks;
- the costs incurred in connection with printing and posting of the annual and half-yearly reports intended for the investors;
- the costs incurred in connection with publishing the annual and half-yearly reports, the issue and redemption prices and, where appropriate, the distributions or reinvestments, and the liquidation report;
- the costs incurred in connection with auditing the Reference Fund by the Auditor;
- the costs incurred in connection with the notification of the bases of taxation and the statement that the tax information was determined in accordance with the rules of German tax law;
- any taxes accruing in connection with the cost of management and custody;

- the costs incurred in connection with asserting and enforcing legal claims of the Reference Fund and for legal and tax advice with regard to the Reference Fund;
- administration fees and costs reimbursed to governmental agencies;
- the costs incurred for representing investor and creditor rights, especially costs incurred for instructing proxies;
- the costs incurred in connection with the authorisation of the Reference Fund for distribution outside of Germany, including advertising costs, costs accruing for compliance with supervisory rules and regulations in Germany and outside of Germany, and legal and tax advisory costs and translation costs;
- the costs incurred in connection with preparing or amending, translating, filing, printing and posting prospectuses in countries where the Fund Shares are sold;
- the costs incurred in connection with notifying investors in the Reference Fund by way of a permanent data carrier, with the exception of the costs incurred in connection with information about fund mergers;
- the costs incurred in connection with the analysis of investment performance by third parties;
- the costs incurred in connection with advertising in direct connection with the marketing and sale of Fund Shares;
- the costs and any fees that may be incurred for acquiring and/or using and/or naming a benchmark or financial indices and/or other financial instruments or assets;
- any costs incurred in connection with investment committee meetings.

In addition, the Management Company may charge compensation of up to 10% of the amounts received for the Reference Fund in cases where disputed claims are enforced for the Reference Fund in or out of court in the context of class action lawsuits, tax reimbursement claims or similar proceedings.

Furthermore, the Management Company may receive up to half of the income from the conclusion of securities lending transactions for the account of the Reference Fund as a flat fee.

The management fees charged to the Reference Fund (excluding transaction costs) are disclosed in the annual report and shown as a proportion of the average volume of the Reference Fund (total expense ratio). This consists of the fees for the management of the Reference Fund, the fees paid to the Custodian Bank and the costs that can be charged additionally to the Reference Fund (see list of costs above). The costs incurred in connection with the acquisition and disposal of assets are excluded from this. The Management Company will not receive any reimbursements of the remuneration or cost reimbursements paid from the Reference Fund to the Custodian Bank or to third parties.

The Management Company may pay brokerage commissions to brokers, such as credit institutions, financial services providers and broker-dealers, as "brokerage commissions based on holding periods" (*laufzeitabhängige Vermittlungsprovision*) on a recurring – mostly quarterly – basis. The amount of such commissions is generally calculated in line with the volume of the Reference Fund sold through the relevant brokers.

The costs and commissions of the Reference Fund may be subject to change or modification. Such changes or modifications may arise among other things when an existing service provider of the Reference Fund, as described in the Fund Documents, is changed or replaced.

Costs and commissions of Target Funds

In addition to the fee paid for the management of the Reference Fund, a management fee is charged for the shares in other funds ("**Target Funds**") held in the Reference Fund. The following types of fees, costs, taxes, commissions and other expenses (list not exhaustive) are covered indirectly or directly by the Reference Fund:

- management fees for the Target Fund (fund management, administrative activities);
- fees for the Custodian Bank;

- normal bank custody fees, where appropriate including the normal bank costs for the safekeeping of non-German securities outside of Germany;
- the costs incurred in connection with printing and posting of the annual and half-yearly reports intended for the investors in the Target Fund;
- the costs incurred in connection with publishing the annual and half-yearly reports, the issue and redemption prices and, where appropriate, distributions;
- the costs incurred in connection with auditing the Target Fund by the Auditor of the Target Fund;
- the costs incurred in connection with the notification of the bases of taxation and the statement that the tax information was determined in accordance with the rules of German tax law;
- the costs incurred in connection with distribution activities;
- any costs incurred in connection with redeeming the dividend coupons;
- any costs incurred in connection with the renewal of dividend coupons;
- the costs incurred in connection with the purchase and sale of assets;
- any taxes accruing in connection with the cost of management and custody;
- the costs incurred in connection with asserting and enforcing legal claims of the Target Fund;
- the costs incurred in connection with the utilisation of normal bank securities lending programmes.

The sales and redemption charges charged to the Reference Fund for the purchase and the redemption of shares in Target Funds are disclosed in the annual and half-yearly reports. Furthermore, the fees charged to the Reference Fund by a domestic or non-German investment company or a company affiliated with the Management Company as a management fee for the shares in Target Funds held by the Reference Fund are also disclosed.

II. Description of the Reference Index - HVB 3 Months Rolling Euribor Index

General description of the Reference Index

The Reference Index tracks the performance of a notional ongoing investment in cash and Money Market Instruments bearing interest at the interest rate for 3-month time deposits in euro in the interbank market. Re-investment takes place on a 3-month cycle, including the accrued interest at the then prevailing market interest rate.

The Reference Index is calculated in euro by the Reference Index Calculation Agent on each Reference Index Calculation Date and published on the Reuters financial information system on Reuters page .HVB3MRE.

The initial value of the Reference Index (the "**Reference Index Initial Value**") on 16 March 2004 (the "**Reference Index Start Date**") was 100.00.

Calculation of the Reference Index

Two Reference Index Calculation Dates before each Reference Interest Period (as defined below), the Reference Index Calculation Agent determines the value of the 3-month Euribor rate, which can be obtained from the Bloomberg financial information system under the ticker EUR003M Index, among other sources. Such value determined in this way is the Reference Rate (the "**Reference Rate**") for the corresponding Reference Interest Period.

A Reference Interest Period (the "**Reference Interest Period**") commences on the third Wednesday of the third calendar month of each calendar quarter (inclusive) (each a "**Reference Interest Period Start Date**") and ends on the third Wednesday of the third calendar month of the following quarter (exclusive) (each a "**Reference Interest Period End Date**"). Should a Reference Interest Period Start Date not be a Reference Index Calculation Date, the relevant Reference Interest Period Start Date will be postponed to the immediately following Reference Index Calculation Date. Should a Reference Interest Period End Date not be a Reference Index Calculation Date, the relevant Reference Interest

Period End Date will be postponed to the immediately following Reference Index Calculation Date. This means that the relevant interest period is extended or shortened accordingly. The first Reference Interest Period Start Date is the Reference Index Start Date.

The Reference Index Value at a Reference Index Calculation Date t after the Reference Index Start Date is calculated by the Reference Index Calculation Agent using the following formula:

$$RIV(t) = B(t, T_{End}) \times RIV(T_{Start}) \times \left[1 + \frac{\Delta(T_{Start}, T_{End})}{360} \times R_{Start} \right]$$

where

" T_{Start} " denotes the Reference Interest Period Start Date immediately preceding the Reference Index Calculation Date t ;

" T_{End} " denotes the Reference Interest Period End Date immediately following the Reference Index Calculation Date t (or t , if the Reference Index Calculation Date t is a Reference Interest Period End Date);

" $B(t, T_{End})$ " denotes the discount factor on the Reference Index Calculation Date t for the maturity date T_{End} . The discount factor is determined by the Reference Index Calculation Agent using the Yield Curve; it amounts to the value 1 on each day T_{End} .

"**Yield Curve**" means an implicit curve determined by the Reference Index Calculation Agent using internal valuation methods on the basis of the money market rates, prices for futures contracts on the Euribor interest rate, swap rates prevailing on the interbank market and other suitable instruments applicable on the Reference Index Calculation Date t . A continuous curve through to the relevant maturity date T_{End} is calculated by means of interpolation;

" $RIV(T_{Start})$ " denotes the Reference Index Value on day T_{Start} .

" R_{Start} " denotes the Reference Rate for the relevant Reference Interest Period from T_{Start} to T_{End} .

" $\Delta(T_{Start}, T_{End})$ " denotes the number of calendar days from T_{Start} (exclusive) to T_{End} (inclusive).

Section D. - Calculation of the Index

I. Calculation of the Index Value

The Index Value ($Index(t_j)$) is calculated by the Index Calculation Agent for each Index Valuation Date t_j (where $j = 1, 2, \dots$) after the Index Start Date in accordance with the following formula:

$$Index(t_j) = Index(t_{j-1}) \times [1 + w(t_{j-1}) \times Return_1(t_j) + (1 - w(t_{j-1})) \times Return_2(t_j)]$$

where the return on the Reference Fund since the previous Index Valuation Date ($Return_1(t_j)$) is calculated as follows:

$$Return_1(t_j) = \frac{NAV(t_j) - NAV(t_{j-1})}{NAV(t_{j-1})}$$

and the return on the Money Market Investment is calculated as follows on the basis of the Reference Index and reduced by the proportionate Synthetic Dividend since the previous Index Valuation Date ($Return_2(t_j)$):

$$Return_2(t_j) = \frac{RIV(t_j) - RIV(t_{j-1})}{RIV(t'_{j-1})} - \frac{DIV}{360} \times \Delta(t_{j-1}, t_j)$$

where

" $w(t_{j-1})$ " denotes the weighting of the Reference Fund (as defined in *Section D - II. Dynamic Allocation Rules* below), calculated for the Index Valuation Date t_{j-1} ;

" $\Delta(t_{j-1}, t_j)$ " denotes the number of calendar days from Index Valuation Date t_{j-1} (exclusive) to Index Valuation Date t_j (inclusive).

Under normal circumstances, the Index Value at an Index Valuation Date is calculated on the following Banking Day (each an "**Index Calculation Date**") after the Index Calculation Agent has received the relevant Net Asset Value of the Reference Fund.

II. Dynamic Allocation Rules

The weighting of the Index Components in the Reference Portfolio is redetermined on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) as follows ("**Dynamic Allocation**"):

First, the Index Calculation Agent calculates the realised degree of variation (realised volatility) of the Reference Fund ($\sigma_R(t_j)$), using the daily returns of the Reference Fund over a period of twenty Index Valuation Dates, and derives an annual volatility level from this realised volatility. The period observed commences twenty-two Index Valuation Dates prior to the relevant Index Valuation Date and ends two Index Valuation Dates prior to the relevant Index Valuation Date. Return is the logarithm of the change in the Net Asset Value between two consecutive Index Valuation Dates.

The realised volatility of the Reference Fund on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) is calculated as follows:

$$\sigma_R(t_j) = \sqrt{\frac{\sum_{p=0}^{19} \left(\text{Ln} \left[\frac{NAV(t_{j-p-2})}{NAV(t_{j-p-3})} \right] \right)^2 - \frac{1}{20} \times \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{NAV(t_{j-p-2})}{NAV(t_{j-p-3})} \right] \right)^2}{19}} \times \sqrt{252}$$

where

"**Ln[x]**" denotes the natural logarithm of [x].

Next, the Index Calculation Agent determines the weighting of the Reference Fund for the corresponding Index Valuation Date t_j ($w(t_j)$) using the following Allocation Table and the realised volatility of the Reference Fund calculated in accordance with the formula described above. The greater the realised volatility of the Reference Fund, the lower the weighting of the Reference Fund and vice versa.

"Allocation Table":

Realised volatility of the Reference Fund	Weighting $w(t_j)$
$\sigma_R(t_j) < 7.00\%$	100%
$7.00\% \leq \sigma_R(t_j) < 7.25\%$	96%
$7.25\% \leq \sigma_R(t_j) < 7.50\%$	92%
$7.50\% \leq \sigma_R(t_j) < 7.75\%$	90%
$7.75\% \leq \sigma_R(t_j) < 8.00\%$	87%
$8.00\% \leq \sigma_R(t_j) < 8.25\%$	85%
$8.25\% \leq \sigma_R(t_j) < 8.50\%$	82%
$8.50\% \leq \sigma_R(t_j) < 8.75\%$	80%
$8.75\% \leq \sigma_R(t_j) < 9.00\%$	78%
$9.00\% \leq \sigma_R(t_j) < 9.50\%$	74%
$9.50\% \leq \sigma_R(t_j) < 10.00\%$	70%

$10.00\% \leq \sigma_R(t_j) < 10.50\%$	66%
$10.50\% \leq \sigma_R(t_j) < 11.00\%$	63%
$11.00\% \leq \sigma_R(t_j) < 11.50\%$	61%
$11.50\% \leq \sigma_R(t_j) < 12.00\%$	58%
$12.00\% \leq \sigma_R(t_j) < 12.50\%$	56%
$12.50\% \leq \sigma_R(t_j) < 13.00\%$	54%
$13.00\% \leq \sigma_R(t_j) < 13.50\%$	52%
$13.50\% \leq \sigma_R(t_j) < 14.00\%$	50%
$14.00\% \leq \sigma_R(t_j) < 15.00\%$	46%
$15.00\% \leq \sigma_R(t_j) < 16.00\%$	43%
$16.00\% \leq \sigma_R(t_j) < 17.00\%$	41%
$17.00\% \leq \sigma_R(t_j) < 18.00\%$	38%
$18.00\% \leq \sigma_R(t_j) < 19.00\%$	36%
$19.00\% \leq \sigma_R(t_j) < 20.00\%$	35%
$20.00\% \leq \sigma_R(t_j) < 21.00\%$	30%
$21.00\% \leq \sigma_R(t_j) < 22.00\%$	25%
$22.00\% \leq \sigma_R(t_j) < 23.00\%$	20%
$23.00\% \leq \sigma_R(t_j) < 24.00\%$	15%
$24.00\% \leq \sigma_R(t_j) < 25.00\%$	10%
$25.00\% \leq \sigma_R(t_j) < 27.00\%$	5%
$27.00\% \leq \sigma_R(t_j)$	0%

When performing the Dynamic Allocation, the Index Calculation Agent will take into account the possibilities of the Hypothetical Investor to subscribe or redeem Fund Shares (where appropriate taking into consideration subscription and redemption periods of the Reference Fund). This may lead to a delayed or gradual implementation of Dynamic Allocation.

The Dynamic Allocation may be spread across several Banking Days where necessary in order to reduce resulting influences on the development of the price of the Reference Fund and/or its components. Such influences may occur in particular if Dynamic Allocation would lead to the Hedging Party having to buy or sell Fund Shares with a total value of more than 5% of the fund volume in order to enter into or unwind relevant Hedging Transactions or if the market conditions for the components of the Reference Fund generally deteriorate, in particular with regard to their liquidity, or the Reference Fund exercises its right to partially execute redemption requests. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether it is necessary to spread the Dynamic Allocation across several Banking Days.

The Index Calculation Agent carries out its obligations described herein on the relevant Banking Days. Where it is necessary to carry out one of the obligations described herein on a different Banking Day, the Index Calculation Agent will postpone the relevant obligation to this other Banking Day. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the requirements of such postponement are met.

Section E. - Extraordinary adjustments and market disruptions

I. General extraordinary adjustments

Adjustment with regard to the Reference Fund

Should the Index Calculation Agent determine that one or more Fund Events have occurred, the Index Calculation Agent will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Fund Adjustment**"). The Index Calculation Agent will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Fund Adjustment, the Index Calculation Agent may specifically:

- a) replace the Reference Fund and the Fund Shares, in full or in part, with a fund and fund shares with economically equivalent liquidity, distribution policy and investment strategy (the "**Successor Reference Fund**", and its shares the "**Successor Fund Shares**") in the amount of the proceeds of the liquidation of the relevant Reference Fund within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Reference Fund or the Successor Fund Shares, as applicable;
- b) replace the Reference Fund with an index determined in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent (the "**Successor Index**") within ten Banking Days of the day on which the proceeds of the liquidation of the relevant Reference Fund would have been received in part or in full by the Hypothetical Investor; or
- c) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Fund Event

(where necessary also adjusting the weighting of the Index Components now included in the Index). Any such Reference Fund Adjustment will be published in accordance with *Section G - Publication of this Index Description*.

The Management Company will take the remuneration that the Index Calculation Agent receives from the Management Company in its function as Investment Adviser into account in its internal pricing models by means of lower costs for the earnings mechanism in its function as Hedging Party. This remuneration is not distributed to the holders of Debt Securities or reinvested in the Index. Should the Reference Fund be replaced in accordance with (a) or (b) resulting in the loss or the reduction of the remuneration received by the Index Calculation Agent in its function as Investment Adviser to the Successor Reference Fund, the Index Calculation Agent will introduce a Synthetic Dividend on the return of the Fund Shares, i.e. the Return1 (as defined in *Section D – Calculation of the Index Value of this Index Description*) is reduced by the Synthetic Dividend as an annual percentage on a daily basis in the same way as Return2 is calculated. This Synthetic Dividend (i) amounts to 1.55% p.a. in the case of a Successor Index, or (ii) in the case of a Successor Reference Fund, is calculated as the difference between 1.55% p.a. and the anticipated reduced trailer fee for holdings of the Successor Reference Fund as an annual percentage. It will, however, not exceed 1.55% p.a. The introduction of a Synthetic Dividend and its amount will be published in accordance with *Section G - Publication of this Index Description*.

"**Fund Event**" means any of the following events:

- a) changes are made in any of the Fund Documents without the consent of the Index Calculation Agent which affect the ability of the Issuer and/or the Hedging Party to maintain its Hedging Transactions, in particular changes with respect to (i) the risk profile of the Reference Fund, (ii) the investment objectives or investment strategy or investment restrictions of the

Reference Fund, (iii) the currency of the Fund Shares, (iv) the relevant method of calculating the Net Asset Value, or (v) the timetable for the subscription, redemption or transfer of Fund Shares; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;

- b) requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges, commissions, taxes or similar fees existing at the date the Reference Fund was included in the Index);
- d) the Management Company fails to publish the Net Asset Value as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- e) a change in the legal form of the Reference Fund;
- f) a change of key persons in key positions of the Management Company or the fund management;
- g) (i) any change in the legal, accounting, tax or regulatory treatment of the Reference Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of registration or approval of the Reference Fund or the Management Company; or (iii) the revocation of a relevant authorisation or licence for the Reference Fund or the Management Company by a competent authority; or (iv) the initiation of a regulatory investigation, conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Management Company, other service providers that perform their services for the Reference Fund, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h) a breach of the investment objectives or investment restrictions of the Reference Fund (as defined in the Fund Documents), and a breach by the Reference Fund or the Management Company of statutory or regulatory provisions;
- i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which (i) requires the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, to create a reserve, provision or similar, or (ii) increases the amount of regulatory capital to be held by the Hedging Party with respect to its Hedging Transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- j) an increase in the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into Hedging Transactions beyond 35% of the outstanding Fund Shares in the Reference Fund;
- k) the Hedging Party is required to consolidate the Reference Fund as a result of accounting or other regulations;
- l) the sale or redemption of Fund Shares for mandatory reasons for the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding Hedging Transactions;
- m) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Reference Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash, or (v) the creation of so-called side pockets for segregated assets of the Reference Fund;
- n) the Management Company, the Auditor, the Investment Adviser, the Custodian Bank or any other service provider that performs its services for the Reference Fund ceases to act in such

capacity or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another service provider of the similarly good standing;

- o) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of settlement, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder, or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- p) the initiation of settlement, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Management Company;
- q) the Index Calculation Agent loses the right to use the Reference Fund as the basis for the calculation, determination and publication of the Index;
- r) the aggregate net assets under management of the Reference Fund fall below a value of EUR 500 million;
- s) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer, the Hedging Party or a holder of Debt Securities in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent;
- t) no relevant data is provided for the calculation of the taxable basis for the Reference Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Reference Fund or the Management Company has announced that no relevant data will be provided in accordance with § 5 (1) InvStG in the future;
- u) distributions which diverge significantly from the Reference Fund's normal distribution policy;
- v) changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's distributions;
- w) the Reference Fund or the Management Company fails to pay the remuneration agreed with the Investment Adviser, discontinues such payment unlawfully or reduces such payment unlawfully;
- x) the Reference Fund or the Management Company or a company affiliated with it breaches the agreement entered into with the Index Calculation Agent, an Issuer or the Hedging Party in relation to the Reference Fund in a significant respect or terminates that agreement;
- y) the Reference Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- z) the Reference Fund or the Management Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- aa) any other event that could have a noticeable adverse effect on the Net Asset Value of the Reference Fund or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis

to the extent that the financial position of a Hypothetical Investor or of the Hedging Party or of the holders of Debt Securities or other financial instruments linked to the Index suffers a significant adverse change as a result, as determined by the Index Calculation Agent in its reasonable discretion (§ 315 BGB).

The Index Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred. The determination of a Fund Event will be published in accordance with *Section G - Publication of this Index Description*.

Adjustment with regard to the Reference Index

Should the Index Calculation Agent determine that one or more Index Events have occurred, the Index Calculation Agent will, if necessary, adjust the Index Concept in such a way that the financial position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Index Adjustment**"). The Index Calculation Agent will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Index Adjustment, the Index Calculation Agent may specifically:

- a) replace the Reference Index with a new index (the "**Successor Reference Index**") using a methodology that is economically equivalent to the greatest extent possible (including in particular the tracking of rolling money market returns). However, the Successor Reference Index may use differing application periods for the Reference Rates (equal to a Reference Interest Period, as described in *Section C - II. Description of the Reference Index - HVB 3 Months Rolling Euribor Index* of this Index Description) and differing rolling intervals. In this event, each reference to the Reference Index will be deemed to refer to the Successor Reference Index;
- b) adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Index Event

(where necessary also adjusting the weighting of the Index Components now included in the Index).

"**Index Event**" means any of the following events occurring on or after the Index Start Date:

- a) changes or modifications are made to the method of calculation, determination and publication of the Reference Index, as described in the Reference Index Description, without the consent of the Index Calculation Agent which affect the ability of the Hedging Party to hedge its obligations under the Hedging Transactions (in particular changes with respect to (i) the risk profile of the Reference Index, or (ii) the Reference Index is no longer calculated in euro); the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether any such change or modification has occurred;
- b) the historic 30-day volatility of the Reference Index exceeds a volatility level of 2.5%; where $\sigma_{EI}(t_j)$ means the annualised volatility calculated on the basis of the daily logarithmic changes in the value of the Reference Index over the immediately preceding 30 Reference Index Calculation Dates of the Reference Index on a Banking Day (t). $\sigma_{EI}(t_j)$ is calculated in accordance with the following formula:

$$\sigma_{EI}(t_j) = \frac{\sqrt{\sum_{p=0}^{29} \left(\text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2 - \frac{1}{30} \times \left(\sum_{p=0}^{29} \text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2}}{29} \times \sqrt{252}$$

Where:

"**Ln[x]**" denotes the natural logarithm of [x];

- c) the calculation or publication of the Reference Index is discontinued;
- d) the Reference Index no longer, in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent, corresponds to the objective of a low-risk investment that is free of currency risk for the Hypothetical Investor;
- e) any other event that, in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent, could have a noticeable adverse effect on the Reference Index Value or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis.

The Index Calculation Agent is under no obligation to monitor whether or not one of the events referred to above has occurred. The determination of an Index Event will be published in accordance with *Section G - Publication of this Index Description*.

Termination of the Index

The Index Calculation Agent has the right to temporarily suspend the calculation of the Index following the occurrence of one or more Fund Events and/or one or more Index Events.

Should an adjustment of the Index Concept not be possible or not be reasonable for the Hypothetical Investor, the Index Calculation Agent has the right to permanently discontinue the calculation of the Index at any time; the Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

II. Adjustment of the Net Asset Value

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Net Asset Value of the Reference Fund published by the Management Company to account for the economic effects of the relevant events on the Index:

- a) charges or fees are levied in connection with the issue or redemption of Fund Shares;
- b) a Hypothetical Investor would not have received the aggregate proceeds from the redemption of Fund Shares within the usual period or the period specified in the Fund Documents; or
- c) in the event of (i) a manifest error, (ii) the incorrect publication of the Net Asset Value, or (iii) if a Net Asset Value determined and published by the Management Company, as used by the Index Calculation Agent as the basis for the calculation, determination and publication of the Index, is subsequently corrected. In cases (ii) and (iii), the Index Calculation Agent will, where necessary, again determine the relevant Net Asset Value (the "**Corrected Net Asset Value**") and again calculate the Index Value on the basis of the Corrected Net Asset Value, taking into account the situation of a Hypothetical Investor.

The Index Calculation Agent will determine the extent of any necessary adjustments to the Net Asset Value in its reasonable discretion (§ 315 BGB). When adjusting the Net Asset Value, the Index Calculation Agent will take into account the fact that proceeds from the reduction of a Reference Fund may only be allocated to the Reference Index (and vice versa) after the Hypothetical Investor would have received the respective proceeds from the disposal of the Reference Fund or the money market component.

III. Adjustment of the value of the Reference Index

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Reference Index Value of the Reference Index published by the calculation agent of the Reference Index to account for the economic effects of the relevant events on the Index:

- a) in the event of a manifest error in the calculation of the Reference Index Value;
- b) in the event of the incorrect publication of the Reference Index Value; or
- c) if a Reference Index Value determined and published by the Reference Index Sponsor, as used by the Index Calculation Agent as the basis for the calculation of the Index, is subsequently corrected.

The Index Calculation Agent will determine the extent of any necessary adjustments to the Reference Index Value in its reasonable discretion (§ 315 BGB). In cases b. and c., the Index Calculation Agent will, where necessary, again determine the relevant Reference Index Value (the "**Corrected Reference Index Value**") and again calculate the Index Value on the basis of the Corrected Reference Index Value.

IV. Market Disruption Events

- a) If the Hypothetical Investor is not able to subscribe for or redeem Fund Shares on an Index Valuation Date, whether because the subscription or redemption of Fund Shares has been suspended or no Net Asset Value has been published for the Reference Fund or such publication will be delayed (a "**Reference Fund Market Disruption Event**"), the Index Calculation Agent will postpone the calculation, determination and publication of the Index (specifically including the performance of Dynamic Allocation) until such time as the Reference Fund Market Disruption Event ends. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

If the Reference Fund Market Disruption Event continues for more than thirty Banking Days, the Index Calculation Agent will make an estimate of the Net Asset Value taking into account the then prevailing market conditions and the possibilities of the Hypothetical Investor to sell Fund Shares in the market, in order to perform a calculation, determination and publication of the Index (specifically including the performance of Dynamic Allocation), provided that a data basis is available which is sufficient for the purposes of such estimate. The Index Calculation Agent will determine in its reasonable discretion (§ 315 BGB) whether a sufficient data basis is available. The estimate will be based on a commercially reasonable assessment.

- b) If a Reference Index Value that is required for the calculation, determination and publication of the Index has not been published on an Index Valuation Date, or such publication will be delayed, the Index Calculation Agent will, in order to calculate the required price of the Reference Index, apply the calculation method described in the description of the Reference Index taking into account the most recently available value of the Reference Index.

Section F. - Corrections

The Index Calculation Agent may correct or amend contradictory or incomplete provisions in the Index Description in accordance with the provisions applicable to the relevant Debt Securities or the relevant other financial instruments linked to the Index.

Section G. - Publication

The Index Value is published by the Index Calculation Agent on the website www.onemarkets.de, the Reuters page .UCGRVDW2 and on Bloomberg under the ticker UCGRVDW2 Index.

All determinations made by the Index Calculation Agent in its reasonable discretion (§ 315 BGB) will be published in accordance with the terms and conditions of the relevant Debt Securities or the relevant other financial instruments linked to the Index.

Section H. - Governing law

This Index Description is governed by German law.

DESCRIPTION OF HVB VERMÖGENSDEPOT WACHSTUM FLEX INDEX III

The following Index Description outlines the key data for the "HVB Vermögensdepot Wachstum Flex Index III" (the "**HVB Vermögensdepot Wachstum Flex Index III**") compiled by the Issuer. This description is subject to amendments or adjustments from time to time after the date of this Base Prospectus in relation to which the Issuer will publish a related supplement to this Base Prospectus.

The HVB Vermögensdepot Wachstum Flex Index III (WKN A163YC / ISIN DE000A163YC2) (the "**Index**") is an index developed and designed by UniCredit Bank AG, Munich, Germany, or any successor thereto (the "**Index Sponsor**") and calculated by UniCredit Bank AG, Munich, Germany, or any successor determined by the Index Sponsor (the "**Index Calculation Agent**") in euro (the "**Index Currency**") in accordance with the index rules set out below (the "**Index Rules**") whose objective is to participate in the performance of the Reference Fund, while aiming to control the frequency and degree of variation in the value (volatility) of the Reference Portfolio (the "**Objective of the Index**").

Section A. - Definitions, general information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

Definitions regarding the Index:

"Banking Day" means each day (other than a Saturday or Sunday) on which the principal domestic clearance system customarily used to settle trades regarding the Index Components and the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) are open.

"Debt Securities" means all outstanding debt securities of a company affiliated with the Index Sponsor (section 15 of the German Stock Corporation Act (*Aktiengesetz*)) at a given time for which payment of principal and/or interest depends on the performance of the Index.

"Fund Event" means any event defined as a Fund Event in *Section D. - I. General Extraordinary Adjustments* of this Index Description.

"Hedging Party" means the Index Sponsor (as at the Index Start Date). The Index Sponsor is entitled at any time to appoint another person or company to act as Hedging Party (the "**Successor Hedging Party**"). The appointment of a Successor Hedging Party will be published in accordance with *Section F. - Publication* of this Index Description.

"Hedging Transactions" means one or more trades, transactions or investments (especially securities (including Fund Shares), options, futures, derivatives and foreign currency transactions, repos or securities lending transactions or other instruments or measures) which are required for an Issuer and/or any Hedging Party to hedge price risks or other risks at standalone or portfolio basis arising from obligations with regard to the Index or with regard to Debt Securities or other financial instruments linked to the Index (i.e. financial instruments whose payments are linked to the performance of the Index). The Index Sponsor will determine in its reasonable discretion (§ 315 of the German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**")) whether any such Hedging Transactions are required.

"Hypothetical Investor" means, in relation to any Fund Shares, a hypothetical investor holding such Fund Shares which (i) has the legal form of a company incorporated in Germany and is a credit institution licensed under Section 32 of the German Banking Act (*Kreditwesengesetz*, KWG) and (ii) is deemed, with respect to the rights and obligations, to have the position of an investor in Fund Shares on the relevant Index Valuation Date, as determined in the Fund Documents, and (iii) is deemed to have the possibilities of such an investor in relation to the subscription and redemption of Fund Shares as at the relevant Index Valuation Date.

"Index Components" means the Fund Shares and the Reference Index included in the Index at any given time.

"Index Event" means any event defined as an Index Event in *Section D. - I. General Extraordinary Adjustments* of this Index Description.

"**Index Initial Value**" means 100.00.

"**Index Start Date**" means 24 August 2015.

"**Index Valuation Date**" means any Banking Day that is a Reference Index Calculation Date and on which it is actually possible to issue and redeem Fund Shares as described in the Fund Documents.

"**Index Value**" means the value (expressed in euro) of the Index on any given Index Valuation Date as calculated by the Index Calculation Agent.

"**Index(t_j)**" means the Index Value at Index Valuation Date t_j . Index (t_j) is calculated by the Index Calculation Agent for every Index Valuation Date t_j in accordance with the provisions set forth in *Section C. - Calculation of the Index* of this Index Description.

"**Issuer**" means an issuer of Debt Securities.

"**Money Market Investment**" means a hypothetical investment in cash and money market instruments from the European single currency monetary area. The performance of this investment is reflected by the Reference Index.

"**Reference Portfolio**" means a hypothetical portfolio of the Hypothetical Investor which contains both Fund Shares and the Money Market Investment in variable weightings. The Reference Portfolio has a value at the Index Start Date equal to the Index Initial Value (expressed in euro).

" **t_j** " means the j -th Index Valuation Date. The Index Start Date is labelled with t_0 , previous Index Valuation Dates are labelled with negative indices and subsequent Index Valuation Dates are labelled with positive indices, resulting in $(\dots, t_{-2}, t_{-1}, t_0, t_1, t_2, \dots)$.

" **t_{j-p}** " is the p -th Index Valuation Date prior to the Index Valuation Date t_j .

" **t_{j-p-2}** " is the second Index Valuation Date prior to the Index Valuation Date t_{j-p} .

" **t_{j-p-3}** " is the third Index Valuation Date prior to the Index Valuation Date t_{j-p} .

Definitions regarding the Reference Fund:

"**Auditor**" means Deloitte & Touche GmbH and/or any other auditing firm appointed by the Management Company to audit the Reference Fund and its annual financial statements.

"**Custodian Bank**" means CACEIS Bank Deutschland GmbH KPMG AG and/or any other company appointed by the Management Company to perform depository, accounting, settlement or similar services for the Reference Fund.

"**Fund Documents**" means the annual report and the half-yearly report, the prospectus (including the management regulations, terms and conditions), the key investor information and all other documents of the Reference Fund which specify the terms and conditions of the Reference Fund and the Fund Shares, in each case in the respective valid version. The Fund Documents, in the respective valid version, are available on the website www.pioneerinvestments.de (or any successor site). The information contained therein is also available free of charge at UniCredit Bank AG, LCD7SR, Arabellastraße 12, 81925 Munich, Germany, during normal business hours.

"**Fund Management**" means the persons responsible for portfolio management and/or risk management of the Reference Fund.

"**Fund Service Providers**" are the Auditor, the Investment Advisor, the Custodian Bank and the Management Company.

"**Fund Share**" or "**Fund Shares**" means a unit or share or units or shares in the Reference Fund (WKN A0M035 / ISIN DE000A0M0358 / Bloomberg HVBPRWP GR Equity).

"**Investment Adviser**" means UniCredit Bank AG (at the Index Start Date). The Management Company may appoint a different person or company to act as Investment Adviser for the Reference Fund at any time.

"**Management Company**" means Pioneer Investments Kapitalanlagegesellschaft mbH, which manages the Reference Fund.

"**NAV(t_j)**" means the Net Asset Value of a Fund Share on Index Valuation Date t_j .

"NAV(t_{j-1})" means the Net Asset Value of a Fund Share on Index Valuation Date t_{j-1} .

"Net Asset Value" or "NAV" means the official net asset value for a Fund Share, as published by the Management Company and at which it is actually possible to redeem Fund Shares.

"Reference Fund" means HVB Vermögensdepot privat Wachstum PI.

Definitions regarding the Reference Index:

"Reference Index Calculation Agent" means UniCredit Bank AG, Munich, Germany.

"Reference Index Calculation Date" means each day (other than a Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) is open.

"Reference Index Description" means the description of the Reference Index. The respective valid version of the Reference Index Description is published on the website www.onemarkets.de (or any successor site).

"Reference Index Structuring Fee" or " F_{RI} " means a rate by which the performance of the Reference Index is reduced. The Reference Index Structuring Fee is 1.47% per annum ($F_{RI} = 1.47\%$).

"Reference Index Value" means the value (expressed in euro) of the Reference Index calculated by the Reference Index Calculation Agent on the basis of the method described in the Reference Index Description at any Reference Index Calculation Date.

"Reference Index" means the HVB 3 Months Rolling Euribor Index (WKN A0QZBZ / ISIN DE000A0QZBZ6 / Reuters .HVB3MRE / Bloomberg HVB3MRE Index), as determined and calculated by UniCredit Bank AG (the "Reference Index Sponsor").

"RIV(t_j)" means the Reference Index Value on Index Valuation Date t_j .

"RIV(t_{j-1})" means the Reference Index Value on Index Valuation Date t_{j-1} .

II. General information, Disclaimer

The information regarding the Reference Fund included in this Index Description is intended solely to inform investors intending to buy Debt Securities and does not constitute a solicitation to buy Fund Shares. Each investor must make its own assessment of the merits of the Reference Fund. When calculating the Index Value, the Index Calculation Agent must rely upon statements, confirmations, computations, assurances and other information provided by third parties, the correctness and reliability of which it largely does not verify and for the correctness of which it accepts no responsibility. Any inaccuracies contained in such information may have an impact on the calculation of the Index Value without any fault attaching to the Index Calculation Agent. Neither the Index Sponsor nor the Index Calculation Agent has any obligation to verify this information independently.

The Index exists exclusively in the form of sets of data records and does not convey any direct or indirect legal or beneficial interest or ownership in the Index Components. Each of the allocations described herein within the Reference Portfolio is only carried out hypothetically by modifying such records. Neither the Index Sponsor nor the Index Calculation Agent, any Issuer or the Hedging Party is under any obligation to directly or indirectly acquire the Index Components. Fees or rebates, if any, received by the Index Sponsor in its capacity as Hedging Party from the Management Company in relation to holdings in the Reference Fund or fees that the Index Sponsor receives in its capacity as Investment Adviser from the Management Company will not be distributed to the holders of Debt Securities or reinvested in the Index, but will be taken into account by the Index Sponsor in its capacity as Hedging Party in its internal pricing models by means of lower costs for the earnings mechanism. Distributions made by the Reference Fund will not be distributed to the holders of Debt Securities.

Section B. - General information regarding the Index

I. Objective of the Index

The Index reflects the performance of the Reference Portfolio.

In order to pursue the Objective of the Index, the participation in the Reference Fund will be reduced partially or completely if the Reference Fund exhibits a high volatility (volatility is an indicator of the

frequency and degree of variation in value), and the participation in the Money Market Investment will be increased accordingly. Conversely, the participation in the Money Market Investment will be reduced partially or completely if the Reference Fund shows a low volatility, and the participation in the Reference Fund will be increased accordingly.

However, there is no guarantee that the Reference Portfolio and hence the Index will achieve the objectives described here.

II. Index Sponsor and Index Calculation Agent

The Index Sponsor creates the Index by selecting the Index Components and by determining the method used to calculate and publish the Index Value (the "**Index Concept**"). The Index Sponsor will make any decisions, determinations and specifications with regard to the Index in its reasonable discretion (§ 315 BGB).

The Index Calculation Agent conducts all calculations with regard to the Index in accordance with this Index Description, and monitors and maintains certain index data for this purpose. The Index Calculation Agent will act with the due care of a prudent businessman (*Sorgfalt eines ordentlichen Kaufmannes*) in performing its duties in accordance with this Index Description. The Index Sponsor and the Index Calculation Agent accept no liability except in the event of wilful misconduct or gross negligence.

The Index Calculation Agent may at any time seek advice from third parties with regard to its obligations described herein. The Index Calculation Agent may resign at any time, provided that, for as long as Debt Securities are still outstanding, the resignation will take effect only if (i) a successor Index Calculation Agent is appointed by the Index Sponsor, (ii) such successor Index Calculation Agent accepts the appointment, and (iii) the successor Index Calculation Agent assumes the rights and obligations of the Index Calculation Agent. Such replacement of the Index Calculation Agent will be published in accordance with *Section F. - Publication* of this Index Description.

Neither the Index Sponsor nor any other person related to the Index acts in any fiduciary or advisory capacity for any holder of Debt Securities.

Section C. - Calculation of the Index

I. Calculation of the Index Value

The Index Value ($Index(t_j)$) is calculated by the Index Calculation Agent for each Index Valuation Date t_j (where $j = 1, 2, \dots$) after the Index Start Date in accordance with the following formula:

$$Index(t_j) = Index(t_{j-1}) \times [1 + w(t_{j-1}) \times Return_1(t_j) + (1-w(t_{j-1})) \times Return_2(t_j)]$$

where the return of the Reference Fund since the previous Index Valuation Date (referred to as $Return_1(t_j)$) is calculated as follows:

$$Return_1(t_j) = \frac{NAV(t_j) - NAV(t_{j-1})}{NAV(t_{j-1})}$$

and the return of the Money Market Investment is calculated on the basis of the Reference Index and reduced by the proportionate Reference Index Structuring Fee since the previous Index Valuation Date t_{j-1} (referred to as $Return_2(t_j)$), as follows:

$$Return_2(t_j) = \frac{RIV(t_j) - RIV(t_{j-1})}{RIV(t_{j-1})} - \frac{F_{RI}}{360} \times \Delta(t_{j-1}, t_j)$$

where

" $w(t_{j-1})$ " denotes the weighting of the Reference Fund (as defined in *Section C. - II. Dynamic Allocation Rules* below), calculated for the Index Valuation Date t_{j-1} ;

" $\Delta(t_{j-1}, t_j)$ " denotes the number of calendar days from Index Valuation Date t_{j-1} (exclusive) to Index Valuation Date t_j (inclusive).

Under normal circumstances, the Index Value at an Index Valuation Date is calculated on the following Banking Day (each an "**Index Calculation Date**") after the Index Calculation Agent has received the relevant Net Asset Value of the Reference Fund.

II. Dynamic Allocation Rules

The weighting of the Index Components in the Reference Portfolio is redetermined on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) as follows ("**Dynamic Allocation**"):

Firstly, the Index Calculation Agent calculates the realised degree of variation (realised volatility) of the Reference Fund ($\sigma_R(t_j)$), using the continuous daily returns of the Reference Fund over a period of twenty consecutive Index Valuation Dates which is normalised to an annual figure for the volatility. The period observed (the "**Volatility Period**") commences with the 21st Index Valuation Date prior to the relevant Index Valuation Date t_j and ends with the second Index Valuation Date prior to the relevant Index Valuation Date t_j . Continuous return means the logarithm of the change in the Net Asset Value between two consecutive Index Valuation Dates.

The realised volatility of the Reference Fund on each Index Valuation Date t_j (where $j = 0, 1, 2, \dots$) is calculated as follows:

$$\sigma_R(t_j) = \sqrt{\frac{\sum_{p=0}^{19} \left(\text{Ln} \left[\frac{NAV(t_{j-p-2})}{NAV(t_{j-p-3})} \right] \right)^2}{19} - \frac{1}{20} \times \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{NAV(t_{j-p-2})}{NAV(t_{j-p-3})} \right] \right)^2} \times \sqrt{252}$$

where

"Ln[x]" denotes the natural logarithm of a value x.

Next, the Index Calculation Agent determines the weighting of the Reference Fund for the corresponding Index Valuation Date t_j ($w(t_j)$) using the following Allocation Table and the realised volatility of the Reference Fund calculated in accordance with the formula described above. The greater the realised volatility of the Reference Fund, the lower the weighting of the Reference Fund and vice versa.

"Allocation Table":

Realised volatility of the Reference Fund $\sigma_R(t_j)$	Weighting $w(t_j)$
$\sigma_R(t_j) < 6.00\%$	100%
$6.00\% \leq \sigma_R(t_j) < 6.25\%$	96%
$6.25\% \leq \sigma_R(t_j) < 6.50\%$	92%
$6.50\% \leq \sigma_R(t_j) < 6.75\%$	88%
$6.75\% \leq \sigma_R(t_j) < 7.00\%$	84%
$7.00\% \leq \sigma_R(t_j) < 7.25\%$	82%
$7.25\% \leq \sigma_R(t_j) < 7.50\%$	80%
$7.50\% \leq \sigma_R(t_j) < 7.75\%$	78%
$7.75\% \leq \sigma_R(t_j) < 8.00\%$	76%
$8.00\% \leq \sigma_R(t_j) < 8.25\%$	74%
$8.25\% \leq \sigma_R(t_j) < 8.50\%$	72%
$8.50\% \leq \sigma_R(t_j) < 8.75\%$	70%

$8.75\% \leq \sigma_R(t_j) < 9.00\%$	68%
$9.00\% \leq \sigma_R(t_j) < 9.25\%$	66%
$9.25\% \leq \sigma_R(t_j) < 9.50\%$	63%
$9.50\% \leq \sigma_R(t_j) < 10.00\%$	60%
$10.00\% \leq \sigma_R(t_j) < 10.50\%$	57%
$10.50\% \leq \sigma_R(t_j) < 11.00\%$	54%
$11.00\% \leq \sigma_R(t_j) < 11.50\%$	51%
$11.50\% \leq \sigma_R(t_j) < 12.00\%$	48%
$12.00\% \leq \sigma_R(t_j) < 12.50\%$	45%
$12.50\% \leq \sigma_R(t_j) < 13.00\%$	42%
$13.00\% \leq \sigma_R(t_j) < 14.00\%$	39%
$14.00\% \leq \sigma_R(t_j) < 15.00\%$	36%
$15.00\% \leq \sigma_R(t_j) < 16.00\%$	32%
$16.00\% \leq \sigma_R(t_j) < 17.00\%$	28%
$17.00\% \leq \sigma_R(t_j) < 18.00\%$	24%
$18.00\% \leq \sigma_R(t_j) < 20.00\%$	20%
$20.00\% \leq \sigma_R(t_j) < 22.00\%$	15%
$22.00\% \leq \sigma_R(t_j) < 24.00\%$	10%
$24.00\% \leq \sigma_R(t_j) < 26.00\%$	5%
$26.00\% \leq \sigma_R(t_j)$	0%

When performing the Dynamic Allocation, the Index Calculation Agent will take into account the possibilities of the Hypothetical Investor to subscribe or redeem Fund Shares (where appropriate taking into consideration subscription and redemption periods of the Reference Fund or if the Reference Fund makes use of provisions which result in a partial execution of subscription or redemption requests). This may result in a delayed or gradual implementation of Dynamic Allocation.

The Index Calculation Agent carries out its obligations described herein on the relevant Banking Days. Where it is necessary to carry out one of the obligations described herein on a different Banking Day, the Index Calculation Agent will postpone the relevant obligation to this other Banking Day. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether this is necessary.

Section D. - Extraordinary Adjustments and Market Disruptions

I. General Extraordinary Adjustments

Adjustments with regard to the Reference Fund

If the Index Sponsor determines the occurrence of one or more Fund Events, then it will, if necessary, adjust the Index Concept in such a way that the economic position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Fund Adjustment**"). The Index Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Fund Adjustment, the Index Sponsor may specifically:

- a. replace the Reference Fund and the Fund Shares, in full or in part, with a fund and fund units or shares with commercially equivalent liquidity, distribution policy and investment strategy (the "**Successor Reference Fund**", and its units or shares the "**Successor Fund Shares**") in the amount of the liquidation proceeds of the Reference Fund that the Hypothetical Investor would have received within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Reference Fund or the Successor Fund Shares, as applicable;
- b. replace the Reference Fund with an index having a commercially equivalent investment strategy (the "**Successor Index**") in the amount of the liquidation proceeds of the Reference Fund that the Hypothetical Investor would have received within ten Banking Days of the day on which the liquidation proceeds would have been received in part or in full by the Hypothetical Investor. In this event, each reference to the Reference Fund or the Fund Shares will be deemed to refer to the Successor Index, each reference to the Net Asset Value will be deemed to refer to the official closing price of the Successor Index, and each reference to the Management Company will be deemed to refer to the index sponsor of the Successor Index; or
- c. adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Fund Event;

(where necessary also adjusting the weighting of the Index Components now included in the Index). Any such Reference Fund Adjustment will be published in accordance with *Section F. - Publication* of this Index Description.

Should the Reference Fund be replaced in accordance with a. or b. resulting in the loss or the reduction of the remunerations received by the Index Sponsor in its function as Hedging Party from the Management Company in relation to any holdings in the Reference Fund or in its capacity as Investment Adviser, the Index Calculation Agent will introduce a structuring fee on the return of the Fund Shares, i.e. the Return₁ (as defined in *Section C. - I. Calculation of the Index Value* of this Index Description) is reduced by this structuring fee, the structuring fee being expressed as an annual percentage, on a daily basis in the same way as Return₂ is calculated. This structuring fee (i) amounts to 1.47% p.a. in the case of a Successor Index, or (ii) in the case of a Successor Reference Fund, is calculated as the difference between 1.47% p.a. and the expected reduced management fee rebate for holdings of the Successor Reference Fund expressed as an annual percentage. The structuring fee will not exceed 1.47% p.a. The introduction of such a structuring fee and its level will be published in accordance with *Section F. - Publication* of this Index Description.

"**Fund Event**" means any of the following events:

- a. changes are made in any of the Fund Documents without the consent of the Index Sponsor which affect the ability of the Hedging Party to maintain its Hedging Transactions, in particular changes with respect to (i) the risk profile of the Reference Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Reference Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the Net Asset Value, or (v) the timetable for the subscription, issue, redemption and/or transfer of Fund Shares; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- b. requests for the redemption, subscription or transfer of Fund Shares are not or only partially executed;
- c. fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares (other than such fees, premiums, discounts, charges,

commissions, taxes or similar fees existing at the date the Reference Fund was included in the Index);

- d. the Reference Fund or the Management Company or the Fund Service Provider appointed for this purpose by the Reference Fund or the Management Company fails to publish the Net Asset Value as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- e. a change in the legal form of the Reference Fund;
- f. a change of key persons in key positions of the Management Company or the Fund Management;
- g. (i) any change in the legal, accounting, tax or regulatory treatment of the Reference Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of the authorisation or registration of the Reference Fund or the Management Company; or (iii) the suspension, cancellation, revocation or absence of a distribution authorisation for the Reference Fund or the Management Company by the competent authority; or (iv) the initiation of investigatory proceedings by supervisory authorities, conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Management Company, a Fund Service Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h. a material breach by the Reference Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Reference Fund (as defined in the Fund Documents) and a breach by the Reference Fund or the Management Company of statutory or regulatory provisions; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such breach has occurred;
- i. a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Hedging Party, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital to be held by the Hedging Party with respect to its Hedging Transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- j. a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which would make it unlawful or impracticable for the Hedging Party to maintain its Hedging Transactions or which would result in significantly increased costs; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change has occurred;
- k. the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into Hedging Transactions is more than 20% of the outstanding Fund Shares of the Reference Fund;
- l. the Hedging Party is required to consolidate the Reference Fund as a result of accounting or other regulations;
- m. the sale or redemption of Fund Shares for mandatory reasons for the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding Hedging Transactions;
- n. an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of an investor in the Reference Fund for reasons outside the control of that investor, (iii) the subdivision, consolidation or reclassification of the Fund Shares or any other measure that has a diluting or concentrative effect on the theoretical value of a Fund Share, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash, or (v) the creation of so-called side pockets for segregated assets of the Reference Fund;

- o. the Management Company or a Fund Service Provider discontinues its services for the Reference Fund or loses its licence, registration, approval or authorisation and is not immediately replaced by another service provider which in the reasonable discretion of the Index Sponsor (§ 315 BGB) is of similarly good standing;
- p. (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of settlement, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder, or (iv) the legal prohibition of transfers of the Fund Shares by investors;
- q. the initiation of settlement, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Management Company;
- r. the Index Sponsor loses the right to use the Reference Fund as the basis for the calculation, determination and publication of the Index;
- s. the aggregate net assets under management of the Reference Fund fall below a value of EUR 500 million;
- t. a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for an Issuer or the Hedging Party in the reasonable discretion (§ 315 BGB) of the Index Sponsor;
- u. no notification is given of the bases of taxation for the Reference Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*; "InvStG") or any successor legislation or the Reference Fund or the Management Company has announced that no notification of the bases of taxation will be given in accordance with the applicable provisions of the InvStG or any successor legislation in the future;
- v. changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's distributions or distributions that diverge significantly from the Reference Fund's normal distribution policy to date;
- w. the Reference Fund or the Management Company or a company affiliated with it breaches the agreement entered into with the Index Sponsor, an Issuer or the Hedging Party in relation to the terms and conditions for the subscription or redemption of Fund Shares or any fees agreed in connection with any holdings of Fund Shares held by the Index Sponsor in its capacity as Hedging Party in a significant respect or terminates that agreement;
- x. the Reference Fund or the Management Company, contrary to normal practice to date, fails to provide the Index Sponsor with information that the latter reasonably considers necessary to enable it to monitor the Reference Fund's compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- y. the Reference Fund or the Management Company fails to provide the Index Sponsor with the audited annual report and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- z. any other event that could have a noticeable adverse effect on the Net Asset Value of the Reference Fund or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis;

to the extent that the financial position of a Hypothetical Investor or of the Hedging Party or of the holders of Debt Securities suffers a significant adverse change as a result, as determined by the Index Sponsor in its reasonable discretion (§ 315 BGB).

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of a Fund Event will be published in accordance with *Section F. - Publication* of this Index Description.

Adjustments with regard to the Reference Index

If the Index Sponsor determines the occurrence of one or more Index Events, it will, if necessary, adjust the Index Concept in such a way that the economic position of the Hypothetical Investor remains unchanged to the greatest extent possible (the "**Reference Index Adjustment**"). The Index Sponsor will determine the type and scope of any measures required for this purpose in its reasonable discretion (§ 315 BGB).

In the context of such Reference Index Adjustment, the Index Sponsor may specifically:

- a. replace the Reference Index with a new index (the "**Successor Reference Index**") that has a methodology that is economically equivalent to the greatest extent possible (including in particular the tracking of a money market investment, using rolling money market returns). However, the Successor Reference Index may use differing tenors for the Reference Rates and differing rolling intervals. In this event, each reference to the Reference Index will be deemed to refer to the Successor Reference Index;
- b. adjust any provision of the Index Concept, the adjustment of which is appropriate to account for the economic effect of the Index Event;

(where necessary also adjusting the weighting of the Index Components now included in the Index).

"**Index Event**" means any of the following events occurring on or after the Index Start Date:

- a. changes or modifications are made to the method of calculation, determination and publication of the Reference Index, as described in the Reference Index Description, without the consent of the Index Sponsor which affect the ability of the Hedging Party to hedge its obligations under the Hedging Transactions (in particular changes with respect to (i) the risk profile of the Reference Index, or (ii) the Reference Index is no longer calculated in euro); the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether any such change or modification has occurred;
- b. the historic 30-day volatility of the Reference Index exceeds a volatility level of 2.5%; where $\sigma_{EI}(t_j)$ means the annualised volatility calculated on the basis of the daily logarithmic changes in the value of the Reference Index over the immediately preceding 30 Reference Index Calculation Dates of the Reference Index on a Banking Day (t). $\sigma_{EI}(t_j)$ is calculated in accordance with the following formula:

$$\sigma_{EI}(t_j) = \frac{\sqrt{\sum_{p=0}^{29} \left(\text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2 - \frac{1}{30} \times \left(\sum_{p=0}^{29} \text{Ln} \left[\frac{RIV(t_{j-p})}{RIV(t_{j-p-1})} \right] \right)^2}}{29} \times \sqrt{252}$$

Where:

"**Ln[x]**" denotes the natural logarithm of a value x;

"**RIV(t_{j-q})**" means the Reference Index Value on the q-th Index Valuation Date prior to the Index Valuation Date t_j.

- c. the calculation or publication of the Reference Index is discontinued;
- d. the Reference Index no longer corresponds to the objective of a low-risk investment that is free of currency risk for the Hypothetical Investor. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether this is the case;
- e. any other event that, in the reasonable discretion (§ 315 BGB) of the Index Sponsor, could have a noticeable adverse effect on the Reference Index Value or the ability of the Hedging Party to hedge its obligations under the Hedging Transactions on more than a temporary basis.

Neither the Index Sponsor nor the Index Calculation Agent is under any obligation to monitor whether or not one of the events referred to above has occurred. The determination of an Index Event will be published in accordance with *Section F. - Publication* of this Index Description.

Termination of the Index

The Index Sponsor has the right to temporarily suspend the calculation of the Index following the occurrence of one or more Fund Events and/or one or more Index Events.

Should an adjustment of the Index Concept not be possible or not be reasonable for the Hypothetical Investor or the investors in any Debt Securities, the Index Sponsor has the right to permanently discontinue the calculation of the Index at any time; the Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

II. Adjustment of the Net Asset Value

In the following cases, the Index Sponsor will, for the purposes of calculating the Index Value, adjust the Net Asset Value of the Reference Fund published by the Management Company:

- a. charges or fees are levied in connection with the issue or redemption of Fund Shares;
- b. a Hypothetical Investor would not have received the full proceeds from the redemption of Fund Shares within the usual period or the period specified in the Fund Documents; or
- c. in the event of (i) the publication of an incorrect Net Asset Value, or (ii) if a Net Asset Value determined and published by the Management Company, as used by the Index Calculation Agent as the basis for the calculation, determination and publication of the Index, is subsequently corrected.

In cases a. and b., the Index Sponsor will adjust the relevant Net Asset Value to replicate the economic effects of the relevant events on the Index; in case c. (i), the Index Sponsor will adjust the relevant Net Asset Value to account for the economic effects of the relevant events on the Index; and in case c. (ii), the Index Calculation Agent will, where necessary, again determine the relevant Net Asset Value (the "**Corrected Net Asset Value**") and recalculate the Index Value on the basis of the Corrected Net Asset Value, taking into account the situation of a Hypothetical Investor.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Net Asset Value in its reasonable discretion (§ 315 BGB). When adjusting the Net Asset Value, the Index Sponsor will take into account the fact that proceeds from the reduction of a Reference Fund may only be allocated to the Reference Index (and vice versa) after the Hypothetical Investor would have received the respective proceeds from the disposal of the Reference Fund or the Money Market Investment.

III. Adjustment of the value of the Reference Index

In the following cases, the Index Calculation Agent will, for the purposes of calculating the Index Value, adjust the Reference Index Value of the Reference Index published by the Reference Index Calculation Agent of the Reference Index to account for the economic effects of the relevant events on the Index:

- a. in the event of an error in the calculation of the Reference Index Value identified by the Index Sponsor or the Index Calculation Agent;
- b. in the event of the publication of an incorrect Reference Index Value; or
- c. if a Reference Index Value determined and published by the Reference Index Sponsor, as used by the Index Calculation Agent as the basis for the calculation of the Index, is subsequently corrected.

The Index Sponsor will determine the type and extent of any necessary adjustments to the Reference Index Value in its reasonable discretion (§ 315 BGB). In case c., the Index Calculation Agent will, where necessary, again determine the relevant Reference Index Value (the "**Corrected Reference Index Value**") and recalculate the Index Value on the basis of the Corrected Reference Index Value.

IV. Market Disruption Events

- a. If the Hypothetical Investor is not able to subscribe for or redeem Fund Shares on an Index Valuation Date, whether because the subscription or redemption of Fund Shares has been suspended or no Net Asset Value has been published for the Reference Fund or such publication will be delayed (a "**Reference Fund Market Disruption Event**"), the Index Calculation Agent will postpone the calculation, determination and publication of the Index (specifically including the realisation of the Dynamic Allocation) until such time as the Reference Fund Market Disruption Event ends. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether the relevant requirements are met.

If the Reference Fund Market Disruption Event continues for more than thirty Banking Days, the Index Calculation Agent will make an estimate of the Net Asset Value taking into account the then prevailing market conditions and the possibilities of the Hypothetical Investor to sell Fund Shares in the market, in order to calculate the Index (specifically including the realisation of the Dynamic Allocation), provided that a data basis is available which is sufficient for the purposes of such estimate. The Index Sponsor will determine in its reasonable discretion (§ 315 BGB) whether a sufficient data basis is available. The estimate will be based on a commercially reasonable assessment.

- b. If a Reference Index Value that is required for the calculation, determination and publication of the Index has not been published on an Index Valuation Date, or such publication will be delayed, the Index Calculation Agent will, in order to calculate the required price of the Reference Index, apply the calculation method described in the description of the Reference Index taking into account the most recently available value of the Reference Index.

Section E. - Corrections

The Index Sponsor may correct or amend contradictory or incomplete provisions in the Index Description in accordance with the provisions applicable to the relevant Debt Securities.

Section F. - Publication

The Index Value is published by the Index Calculation Agent on the website www.onemarkets.de, the Reuters page .UCGRVDW3 and on Bloomberg under the ticker UCGRVDW3 Index.

All determinations made by the Index Sponsor or the Index Calculation Agent in their reasonable discretion (§ 315 BGB) will be published in accordance with the terms and conditions of the relevant Debt Securities.

Section G. - Governing law

This Index Description is governed by German law.

DESCRIPTION OF HVB STAR FUNDS EXCESS RETURN RISK CONTROL INDEX

This Index Description in relation to the UniCredit Star Funds Excess Return Risk Control Index describes the full terms and conditions for the constitution and calculation of the Index by the Index Sponsor and the Index Calculation Agent, as applicable. In particular it provides information about the underlying assets, definitions, Extraordinary Events and Market Disruptions.

The UniCredit Star Funds Excess Return Risk Control Index (WKN: A11RSN / ISIN: DE000A11RSN1) (the "**Index**") is a EUR denominated Index (the "**Index Currency**") calculated and rebalanced by UniCredit Bank AG, Kardinal-Faulhaber Straße 1, 80333 Munich (the "**Index Calculation Agent**") and created, maintained and published by UniCredit Bank AG, Kardinal-Faulhaber Straße 1, 80333 Munich (the "**Index Sponsor**"). The Index is calculated on a daily basis by the Index Calculation Agent.

Section A. Definitions and General Information

I. Definitions

For the purposes of this description (the "**Index Description**"), the following terms have the following meanings:

"**Business Day**" means any day (other than a Saturday or Sunday) on which each domestic main clearance system commonly used for the settlement of transactions in relation to the Index Components, as well as the Trans-European Automated Real-Time Settlement Express Transfer (TARGET2) System is open.

"**Fund Share**" means an ownership interest issued to or held by an investor in a Reference Fund

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in shares (including Fund Shares), options, futures, derivatives or foreign exchange transactions, (ii) securities lending transactions or (iii) other instruments or arrangements (howsoever described), directly or indirectly entered into by a Hedging Party in order to hedge, individually or on a portfolio basis, any products or transactions linked to the Index.

"**Hedging Party**" means a hypothetical party who would hedge its obligations in respect of any products or transactions linked to the Index.

"**Hypothetical Investor**" Means, with respect to a Fund Share, a hypothetical or actual investor (as determined by the Index Calculation Agent in the context of the relevant situation) in such Fund Share located in the same jurisdiction and tax status as the Index Sponsor and deemed to have the benefits and obligations, as provided in the Fund Documents, of an investor holding the Fund Share at any time.

"**Index Components**" are the Fund Shares included in the Reference Fund Basket at a given time.

"**Index Currency**" means Euro ("**EUR**").

"**Index Level**" has the meaning given in *Section C – I. Index Level Calculation*.

"**Index Level Determination Date**" means any Business Day on which the issue and redemption of Fund Shares of each Reference Fund as described in the relevant Reference Fund Documents, is possible.

"**Index Start Date**" means 1 July 2014.

"**Investment Manager**" means the investment manager of the respective Reference Fund as outlined in the Fund Documents.

"**Net Asset Value**" or "**NAV**" per Fund Share, means with respect to the relevant Fund Shares and a Reference Fund Valuation Date the net asset value (or equivalent value) per Fund Share as of the relevant Reference Fund Valuation Date as recently reported by the respective Reference Fund Service Provider that generally publishes or reports such value on behalf of the Reference Fund to its investors or a publishing service, provided that the Index Sponsor may adjust any Net Asset Value as set out in *Section D – II. Adjustment of Net Asset Value* below.

"Reference Funds" means the investment funds contained in the Reference Fund Basket as described in *Section B – II. Index Composition*, subject to the provisions of *Section D* below (each a **"Reference Fund"**).

"Reference Fund Basket" is a basket of Reference Funds as described in *Section B – II. Index Composition*, subject to the provisions of *Section D* below.

"Reference Fund Basket Value" in respect of Index Level Determination Date *t*, is the value of the Reference Fund Basket at Index Level Determination Date *t* calculated by the Index Calculation Agent as set out in *Section C – I. Index Level Calculation*.

"Reference Fund Company" means, in relation to a Reference Fund, the management company of the respective Reference Fund.

"Reference Fund Documents" means, in relation to a Reference Fund, – in each case, if available and in the respective most recent version – the annual report, the half-yearly report, the sales prospectus, the terms and conditions of the Reference Fund, the key investor information and all other documents of the Reference Fund in which the terms and conditions of the Reference Fund and of the Fund Shares are specified.

"Reference Fund Service Provider" means, in respect of any Reference Fund, any person who is appointed to provide services, directly or indirectly, to that Reference Fund, whether or not specified in the Reference Fund Documents, including any advisor, manager, administrator, operator, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person as may be specified in these Index Rules;

"Reference Fund Valuation Date" means any date as of which, in accordance with the Reference Fund Documents, the Reference Fund or the Reference Fund Company or the Reference Fund Service Provider that generally determines such value is or, but for the occurrence of an Extraordinary Reference Fund Event, would have been scheduled to determine the NAV per Fund Share.

II. General Information and Disclaimer

The information with regard to a Reference Fund given by this Index Description is for information purposes only for the benefit of counterparties who intend to enter into related OTC derivative transactions. The content of this Index Description constitutes no offer for subscription of fund shares. The suitability of a Reference Fund is in each case subject to an autonomous decision of each investor.

For the Calculation of the Index Level, the Index Calculation Agent relies on statements, confirmations, computations, assurances and other information provided by third parties. Any inaccuracies contained in such information may have an impact on the calculation of the Index Level. UniCredit Bank AG in its role as Index Sponsor respectively as Index Calculation Agent has no obligation to verify this information independently.

The Index is comprised solely in the form of data sets and provides neither a direct nor an indirect or an economic or a legal ownership or ownership position of the Index Components. Each of the allocations described herein within the Index Components is executed only hypothetically, by changing the relevant data. An obligation of the Index Sponsor, the Index Calculation Agent, or a Hedge Party to the direct or indirect acquisition of the Index Components does not exist. As the case may be, any remuneration paid by the Reference Fund Company, or any distributions paid by a Reference Fund, which is/are paid to the Index Sponsor in its capacity as Hedging Party will not be distributed to the counterparties of related OTC derivative transactions or reinvested to the Index, but will be accounted by the Index Sponsor in his capacity as Hedging Party in its internal pricing models by lower costs for the return mechanism. This Index Description provides the description of the Index as of 23 June 2014. The Index is subject to changes and adjustments by the Index Sponsor.

Subject to the provisions of *Section D*, the Index Sponsor will employ the calculation methods described above. The Index Sponsor's determinations shall be final except where there is a manifest error.

Section B. General Index Information

I. Index Objective

The objective of the Index is to provide synthetic exposure to the performance of a notional basket of Fund Shares (the "**Reference Fund Basket**"). The Index aims to track the performance of flexible funds with a daily liquidity and with a proven track record seizing opportunities across different asset classes as equities across different geographical zones, government bonds, investment grade bonds, high-yield bonds, etc.

The Index has a built in volatility control mechanism. When the Index Calculation Agent determines that the realised volatility of the Reference Fund Basket over preceding 20-day or 60-day reference period exceeds the volatility target of 4% (the "**Target Volatility**"), then the exposure of the Index to the Reference Fund Basket will be reduced, with the aim of maintaining the realised volatility of the Index at the Target Volatility. When the Index Calculation Agent determines that the realised volatility of the Reference Fund Basket is below the Target Volatility and the exposure of the Index to the Reference Basket is below 150%, then the exposure of the Index to the Reference Fund Basket will be increased in order to maintain the realised Volatility of the Index at or below the Target Volatility. The maximum exposure of the Index to the Reference Basket is 150%. The Index starts on the Index Start Date with an initial level of 100 index points ("**Initial Index Level**").

The Index is an "excess return" index. As a consequence, the level of the Index reflects the performance of the strategy of the Index above a EUR short term rate.

There is no guarantee and no assurance (express or implied) is given that the Index or Reference Funds described here will achieve the described objective.

II. Index Composition

The Index represents a certain selection of Index Components and the Index Level is based on the value of the individual Index Components according to this Index Description. On the Index Start Date, the Index was comprised of the following Index Components and with the respective Index weightings ("**Index Weightings**") and currency denomination set out in the table below. Each Index Component being a Reference Fund, of the type 'Fund Share' ("**Component Type**"):

i	Reference Fund (PR _i)	Currency	Bloomberg Code	ISIN	Index Weighting (W _i)
1	Templeton Global Total Return Fund	EUR	TGTAACE LX Equity	LU0260870661	1/3
2	JPM Global Income Fund	EUR	JPGIAEA LX Equity	LU0740858229	1/3
3	M&G Optimal Income Fund Euro	EUR	MGOIAEA LN Equity	GB00B1VMCY93	1/3

To determine the Index Levels from the Index Start Date, values of the Index Components were required from a period of approximately 60 Business Days before the Index Start Date, (the "**Index Initial Data Date**") to establish the necessary performance history required for the operation of the Index Methodology.

Following the Index Start Date, the Index Calculation Agent shall review the composition of the Index and the Index Weightings of the Index Components within the Index on an ongoing basis and in accordance with the Index Methodology specified below and the rules governing the Index.

III. Roles of the Index Sponsor and the Index Calculation Agent

The Index Sponsor is (1) responsible in its reasonable discretion according to § 315 German Civil Code (*Bürgerliches Gesetzbuch*; "**BGB**") for setting and reviewing the rules and procedures, methods

of calculations and adjustments, if any, relating to the Index; and (2) announces (directly or through an agent) the level of such Index.

The Index Sponsor is not acting as a fiduciary or adviser to any investor in the Notes or any other person in relation to the Index.

The Index Calculation Agent performs all determinations and calculations relating to the Index specified in this description and will monitor and maintain certain data (the "**Index Data**") in respect of the Index.

The Index Calculation Agent is responsible for the calculation of the Index including and subject to the determination of any Extraordinary Events and Market Disruption as described in *Section E*. The Index Calculation Agent shall perform such determinations and calculations in respect to the maintenance of the rules and methodology for calculating the Index in good faith and in a commercially reasonable manner and maintains Index Data in accordance with the descriptions set out herein. All information contained in the Index Data (in the absence of manifest error) is final, conclusive and binding to the extent that the Index Calculation Agent reserves the right to change and adjust the Index Data in its reasonable discretion according to § 315 BGB or to rectify manifest errors.

The Index Calculation Agent may at any time in its sole discretion seek advice from third parties. The Index Calculation Agent may resign at any time, provided that, the resignation will take effect only if (i) a successor Index Calculation Agent has been appointed by the Index Sponsor appointed and (ii) such successor index calculation agent accepts its appointment, and (iii) the successor index calculation agent assumes the rights and obligations of the Index Calculation Agent.

UniCredit Bank AG in its role as Index Calculation Agent as well as Index Sponsor will take reasonable care in carrying out its obligations and shall not be liable to any person for any losses, damages, claims, costs or expenses unless caused by gross negligence or wilful default of UniCredit Bank AG in its role as Index Calculation Agent as well as Index Sponsor. This applies also for any successor of UniCredit Bank AG in its role as Index Calculation Agent as well as Index Sponsor.

Section C. Description and Formula for calculating the Index

I. Index Level Calculation

The Index Level on the Index Start Date is 100. The Reference Basket Value on the Index Start Date is 100.

On each Index Level Determination Date t after the Index Start Date, the Index Level ("**Index_t**") will be determined by the Calculation Agent as follows:

$$Index_t = Index_{t-1} \times \left(1 + W_{t-1} \times \left(\frac{Basket_t}{Basket_{t-1}} - 1 \right) - W_{t-1} \times Euribor_{t-1} \times \frac{Act(t-1, t)}{360} \right)$$

Where

$$Basket_t = Basket_{t-1} \times \left[1 - \sum_{i=1}^N W_i \times \left(\frac{NAV_{i,t}}{NAV_{i,t-1}} - 1 \right) \right]$$

where:

"**Basket_t**" is the Reference Fund Basket Value on the Index Level Determination Date " t ".

"**Basket_{t-1}**" is the Reference Fund Basket Value on the Index Level Determination Date immediately preceding Index Level Determination Date " t ".

"**Index_{t-1}**" is the Index Level on the Index Level Determination Date immediately preceding Index Level Determination Date " t ".

"**W_{t-1}**" is the exposure of the Index to the Reference Fund Basket on the Index Level Determination Date immediately preceding the Index Level Determination Date " t ".

"**NAV_{i,t}**" is the Net Asset Value per Share of Index Component "**PR_i**" on Index Level Determination Date " t ".

"**Act(t-1, t)**" is the number of calendar days from but excluding Index Level Determination Date " $t-1$ " up to and including the Index Level Determination Date " t ".

" W_i " is the Weight of Index Component " PR_i ".

" N " is the number of Index Components in the Index.

" $Euribor_{t-1}$ " means the 3-Month EURIBOR rate, published as of 11:00 am Brussels time and that has been fixed two (2) Index Level Determination Dates prior to Index Level Determination Date " $t-1$ " as determined by the Index Calculation Agent. Provided that if no rate is published, the Index Calculation Agent will determine such rate from other source as it in its reasonable discretion according to § 315 BGB may deem appropriate.

The calculation of the Index Level in relation to an Index Level Determination Date is undertaken on the Business Day when the Index Sponsor has acquired all of the respective Net Asset Values of the Reference Funds, all subject to Section E below.

II. Dynamic Allocation Rules

A target exposure of the Index to the portfolio of Index Components (the "Target Exposure") is then determined in accordance with the formula below, with the aim of maintaining a target volatility of 4.0%, based on the historical volatility of the Portfolio over both the preceding 20 Index Level Determination Dates and 60 Index Level Determination Dates.

$$W_t = \text{Max} \left(\text{Exposure}_{\min}, \text{Min} \left(\text{Exposure}_{\max}, \frac{\text{Target Volatility}}{\text{Max} (Vol_{20,t}, Vol_{60,t})} \right) \right)$$

Where:

$\text{Exposure}_{\min} = 0\%$

$\text{Exposure}_{\max} = 150\%$

Target Volatility = 4.0%

$$Vol_{20,t} = \frac{\sqrt{\sum_{p=0}^{19} \left(\text{Ln} \left[\frac{\text{Basket}_{t-p-2}}{\text{Basket}_{t-p-3}} \right] \right)^2 - \frac{1}{20} \left(\sum_{p=0}^{19} \text{Ln} \left[\frac{\text{Basket}_{t-p-2}}{\text{Basket}_{t-p-3}} \right] \right)^2}}{19} \times \sqrt{252}$$

$$Vol_{60,t} = \frac{\sqrt{\sum_{p=0}^{59} \left(\text{Ln} \left[\frac{\text{Basket}_{t-p-2}}{\text{Basket}_{t-p-3}} \right] \right)^2 - \frac{1}{60} \left(\sum_{p=0}^{59} \text{Ln} \left[\frac{\text{Basket}_{t-p-2}}{\text{Basket}_{t-p-3}} \right] \right)^2}}{59} \times \sqrt{252}$$

where:

" $Vol_{20,t}$ " means in respect of Index Level Determination Date t , the 20 days volatility rate, determined in accordance with the above formula provided by the Index Calculation Agent who will determine the Reference Fund Basket Value for each day required as if such date were a Valuation Date notwithstanding any such date falling prior to the Index Start Date.

" $Vol_{60,t}$ " means in respect of Index Level Determination Date t , the 60 days volatility rate, determined in accordance with the above formula provided by the Index Calculation Agent who will determine the Reference Fund Basket Value for each day required as if such date were a Valuation Date notwithstanding any such date falling prior to the Index Start Date;

" $\text{Ln}[x]$ " denotes the natural logarithm of " x ".

" t " denotes the Index Level Determination Date " t ".

" 252 " is the annualising factor for the determination of the realised volatility and represents the expected number of Index Level Determination Dates in each calendar year.

When adjusting or constituting the composition of the Reference Portfolio, the Index Calculation Agent may delay it in its reasonable discretion according to § 315 BGB the rebalancing of the Reference Portfolio and/or make other adjustments to this Index Description or the determination and/or calculation of the Index to take into account a Hypothetical Investor's ability to subscribe or redeem Fund Shares of the Reference Funds when the allocation to the Reference Portfolio is

modified, also taking into consideration liquidity conditions, subscription notice periods, redemption notice periods as well as any subscription or redemption charges of the Reference Funds.

Section D. Extraordinary Events, Adjustments and Market Disruptions

I. Extraordinary Events

If the Index Calculation Agent determines in its reasonable discretion according to § 315 BGB that an Extraordinary Event exists or occurs then it may at its option but is not required to take any of the actions set out in this *Section D – I. Extraordinary Events (Adjustments, Index Component Replacement and Index Cancellation)*. This is without prejudice to the rights of the Index Calculation Agent as set out in this *Section D – II. Adjustment of Net Asset Value and III. Market Disruption Event* below, and in the event that the Index Calculation Agent has the power to take action under both this *Section D. – I. Extraordinary Events* and such *Sections D. – II. Adjustment of Net Asset Value and/or III. Market Disruption Event* below, the Index Calculation Agent may, in its reasonable discretion according to § 315 BGB, select which of the relevant provisions to apply.

For these purposes "Extraordinary Event" means one or more Fund Events as defined in *Section D. – I. Extraordinary Events (Fund Events)* below and/or any of the other events or circumstances described in this *Section D* in respect of which the Index Calculation Agent is entitled to make an adjustment or take any other relevant action as described in this *Section D* in relation to the Index.

Adjustments

In the case an Extraordinary Event or several Extraordinary Events occur (in particular a change to the dealing schedule for or suspension of subscription or redemption of an Index Component) or regulatory, legal, tax, accounting or market conditions occur that require a modification or change of the Index calculation method, the Index Calculation Agent is entitled, in its reasonable discretion, to make such changes or modifications as it considers necessary or desirable, including for the purposes of Hedge Positions. The Index Calculation Agent will use reasonable endeavours to ensure that the adjusted method of calculation, taking into account the economically practicable possibilities with reasonable discretion of the Index Calculation Agent with respect to the application of the Index, is consistent with the method of calculation described above.

The Index Calculation Agent is entitled, in reasonable discretion, to spread a modification of an adjustment of weights of Index Components over multiple days, with the aim to reduce the impact on the price of a Reference Fund and its portfolio components. Without limitation this may be applicable in circumstances where a Hedging Party respectively adjusts its hedging transactions with respect to its Hedge Positions.

The Index Sponsor is entitled to modify or amend the Index Description in such manner as the Index Sponsor reasonably deems necessary, or to restate the Index Level, in order to cure formal, proven or manifest errors or to cure, correct or supplement defective provisions.

Index Component Replacement

If an Extraordinary Event or several Extraordinary Events exist or occur with respect to one or more Index Component(s), the Index Calculation Agent is entitled to substitute any or each affected Index Component with a new index component (the "**Replacement Index Component**") in part or completely in its reasonable discretion. The Index Calculation Agent shall use reasonable efforts to identify a Replacement Index Component with liquidity, distribution policy, management company, and investment strategy similar to the relevant affected Index Component. The Index Calculation Agent may determine that the Replacement Index Component is a benchmark index. The weights of the Index Components may be adjusted accordingly to take into account any such new Index Component. The relevant affected Index Component will be substituted with the Replacement Index Component in one or more adjustments to the Index, taking into account each payment of liquidation proceeds (if any) that the Index Calculation Agent determines a Hedging Party, if holding the affected Index Component, would receive from such Index Component, in each case within ten Business Days after the Hedging Party would have received the relevant amount, partially or in total, to the extent that the Index Calculation Agent deems, in its discretion, reasonable and practicable.

In the case that an Index Component is replaced, the Index will be calculated on the basis of such Replacement Index Component following the date of such adjustment. Commencing with the first

application of the Replacement Index Component, any reference to Index Component in the Index Description, depending on context, shall be deemed to refer to the Replacement Index Component.

Index Cancellation

The Index Calculation Agent will be entitled following the occurrence of any Extraordinary Event to cease its calculation and determination of the Index, either temporarily or on a permanent basis. Where the Index Calculation Agent elects to permanently cease to calculate and determine the Index, the Index shall be cancelled.

Fund Events

As used herein, "Fund Event" is, in the reasonable discretion of the Index Calculation Agent any of the following events with respect to a Reference Fund that occurs on or after the Index Start Date:

- a) a material modification to any provisions in any of the Reference Fund Documents, or other document detailing the terms and conditions and objectives of the respective Reference Fund without consent of the Index Sponsor and which may adversely in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent the ability of the Hedging Party, respectively, to hedge its obligations under the Hedge Positions, respectively; in particular including but not limited to such changes as (i) a change in the risk profile of the respective Reference Fund; (ii) an alteration of the investment objectives, investment limits or strategy of the respective Reference Fund; (iii) a change in the currency of the respective Fund Shares; (iv) an alteration of the method that is used for the calculation of the NAV; (v) a change in the dealing schedule for subscription, issue, redemption or transfer of the respective Fund Shares;
- b) requests for redemptions, subscriptions or transfers of Fund Shares are not executed or are only partially executed or subscriptions or redemptions are suspended by the Reference Fund, the Reference Fund Company or the Reference Fund Service Provider or fund distributor;
- c) where a Reference Fund or any third party imposes any restriction, charge, commission, taxes or fees in respect of the sale or purchase, subscription or redemption of the respective Fund Shares (other than the restrictions, fees, commissions and charges in existence as at the time the Fund Shares are included in the Index);
- d) the Reference Fund Company or the Reference Fund Service Provider appointed for this purpose by the Reference Fund Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Reference Fund Documents;
- e) change in the legal nature of the respective Reference Fund;
- f) a resignation or replacement of any key person of the Reference Fund Company or the Investment Manager;
- g) (i) any change in the legal, accounting, tax, regulatory or supervisory treatment in respect of the respective Reference Fund or Reference Fund Company; or (ii) the suspension, cancellation, revocation or absence of the registration or accreditation of the Reference Fund or of the Reference Fund Company; or (iii) the revocation of a corresponding authorisation or licence in respect of the Reference Fund or Reference Fund Company by a competent authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Reference Fund, the Reference Fund Company or a Reference Fund Service Provider, or of individuals in key positions as a result of misconduct, a violation of the law or for similar reasons;
- h) a breach by the Reference Fund or the Reference Fund Company of the investment objectives, the investment strategy or the investment restrictions of the Reference Fund (as defined in the Fund Documents) that is material in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent, or a breach of statutory or regulatory requirements by the Reference Fund or the Fund Company;
- i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which, in the reasonable discretion of the Index Calculation Agent (§ 315 BGB), requires the Hedging Party, in relation to the subscription, redemption or holding of

- Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Hedging Party with respect to its hedging transactions to an extent that is significant in comparison with the conditions applying on the Index Start Date;
- j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Hedging Party with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Hedging Positions would become unlawful or impracticable or would entail substantially higher costs;
 - k) a Reference Fund Company, Investment Manager or a Reference Fund is in material breach or any of its existing agreement(s) with the Hedging Party in respect of the distribution of the Fund Shares is terminated or the retrocession payable to the Hedging Party on any Fund Share is reduced;
 - l) an increase in the proportion of the volume held by the Hedging Party alone or together with a third party with which the Hedging Party in turn enters into hedging transactions beyond 20% of the outstanding Fund Shares in the Reference Fund;
 - m) the Hedging Party would be required pursuant to any accounting or other applicable regulations to consolidate the Reference Fund, as a result of its obligations under the Hedge Positions;
 - n) the sale or redemption of Fund Shares for reasons affecting the Hedging Party, provided that this is not solely for the purpose of entering into or unwinding hedging transactions
 - o) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares, (ii) the reduction of the number of Fund Shares of a shareholder in the Reference Fund for reasons outside the control of that shareholder, (iii) the subdivision, consolidation or reclassification of the Fund Shares, (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets of the Reference Fund;
 - p) the Reference Fund Company or a Reference Fund Service Provider discontinues its services for the Reference Fund or loses its accreditation, approval, authorisation or licence and is not immediately replaced by another services provider which in the reasonable discretion of the Index Calculation Agent (§ 315 BGB) is of similarly good standing;
 - q) i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Reference Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Reference Fund or the merger of the Reference Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
 - r) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Reference Fund Company;
 - s) a de-merger, reclassification of the respective Reference Fund or consolidation (e.g. the change of the share class of the Reference Fund or the merger of the Reference Fund) with another fund;
 - t) a change in the tax laws and regulations or in their implementation or interpretation which has negative consequences for the Hedging Party in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent;
 - u) no relevant data is provided for the calculation of the taxable basis for the Reference Fund in accordance with § 5 (1) of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") or the Reference Fund or the Reference Fund Company has announced that no relevant data will be provided in accordance with § 5 (1) InvStG in the future;
 - v) changes in the investment or distribution policy of the Reference Fund which could have a substantial negative effect on the amount of the Reference Fund's distributions, or

distributions which diverge significantly from the Reference Fund's normal distribution policy to date;

- w) the Reference Fund or the Reference Fund Company or a company affiliated to it, breaches the agreement entered into with the Hedging Party in relation to the Reference Fund in a significant respect or terminates that agreement;
- x) the Reference Fund or the Reference Fund Company, contrary to normal practice to date, fails to provide the Index Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Reference Fund's investment guidelines or restrictions in a timely manner;
- y) the Reference Fund or the Reference Fund Company fails to provide the Index Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- z) any other event that could have a noticeable adverse effect on the NAV of the Reference Fund or on the ability of the Hedging Party to hedge its obligations under the hedging transactions on more than a temporary basis;
- aa) the NAV is no longer published in the Index Currency,
- bb) the occurrence of a "Fund Merger Event" which means in respect of a Reference Fund or its Investment Manager, there is;
 - (1) an irrevocable commitment to transfer all of the relevant Fund Shares or shares that are outstanding;
 - (2) a consolidation, amalgamation or merger of such Reference Fund or such Investment Manager with or into another fund or investment manager other than a consolidation, amalgamation or merger in which such Reference Fund or its Investment Manager is the continuing Reference Fund or Investment Manager as the case may be; and/or
 - (3) a takeover offer for such Reference Fund or Investment Manager that results in a transfer of or an irrevocable commitment to transfer all of the relevant Fund Shares or all the shares of such Investment Manager (other than Fund Shares or shares owned or controlled by the offeror);
- cc) the Hedging Party is unable, or it is impracticable for the Hedge Party, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to a Fund Share of entering into and performing its obligations with respect to its Hedge Positions, or (ii) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increases in charges or fees imposed by the relevant Reference Fund on any investor's ability to redeem such Fund Shares, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Shares, or (B) any mandatory redemption, in whole or in part, of such Fund Shares imposed by the relevant Reference Fund (in each case other than any restriction in existence on the date on which such Fund Shares was first included in the Index);
- dd) an order has been made or an effective resolution passed for the winding up, dissolution, termination, liquidation or an event with analogous effect, of the respective Reference Fund or its share class; or
- ee) any event occurs that would, if the Hedging Party and/or any affiliate were holding, purchasing or selling Fund Shares, have the effect of (i) imposing on the Hedging Party and/or any affiliate, any reserve, special deposit or similar requirement which did not exist as of the Index Start Date or (ii) affecting the amount of regulatory capital that would have to be maintained by the Hedging Party and/or any affiliate in connection with any Hedge Positions or hedging arrangements carried out by the Hedging Party and/or any affiliate in relation to this Index or modifying such requirement existing as at the Index Start Date.

The Index Sponsor or the Index Calculation Agent have no obligation to monitor the occurrence of any of the events described above. The Index Calculation Agent is entitled but has no obligation to determine that a Fund Event has occurred following the occurrence of any of the described events and the Index Calculation Agent is not subject to any time limit in making or determining not to make any such determination.

II. Adjustment of Net Asset Value

The Index Calculation Agent may in its reasonable discretion according to § 315 BGB adjust (in connection with the calculation of the Index Level) the Net Asset Value of the Fund Shares of a Reference Fund in the following cases:

1. A levy or fee is introduced in connection with the subscription or redemption of Fund Shares.
2. A Hedging Party redeeming Fund Shares in accordance with the Reference Fund Documents would not have received the full redemption proceeds from the Fund Shares within the customary time-frame.

In the case of manifest error or error in publication of Net Asset Value of the Fund Shares of a Reference Fund by the respective Reference Fund Company or Reference Fund Service Provider or in case the published Net Asset Value as it is used by the Index Calculation Agent as a basis for calculating the Index is subsequently corrected, where the Index Calculation Agent considers the impact thereof material to the Index it may, in its reasonable discretion according to § 315 BGB, adjust the Index Level and/or any constituents of the Index Level calculation, the allocations of the Index and/or any other provisions of the Index, whether retrospectively or otherwise, to account for this.

III. Market Disruption Event

If a Hedging Party on an Index Level Determination Date cannot or would not be able to subscribe for or redeem Fund Shares or no Net Asset Value of a Reference Fund is published or made available, or such a publication is with a delay, then the Index Calculation Agent may in its reasonable discretion alternatively use the calculation methods as described in *Section D. – II. Adjustment of Net Asset Value*, to determine the redemption and subscription amounts or use the last recently published Net Asset Value. Where the Net Asset Value of a Reference Fund is not made available by the Reference Fund Company or a Reference Fund Service Provider, the Index Calculation Agent may delay the calculation of the Index Level. Where no Net Asset Value is made available for more than thirty Business Days, the Index Calculation Agent shall be entitled but not obliged to make an estimate of the Net Asset Value in its reasonable discretion according to § 315 BGB without any obligation for giving account according to section 259 BGB and taking into account the then prevailing market conditions.

Section E. Publication

The Index Level is published by the Index Sponsor on the Reuters page .UCGRFRC1 and on Bloomberg under the ticker UCGRFRC1 Index <go>.

DESCRIPTION OF VP KLASSIK 70 BENCHMARK INDEX

The VP Klassik 70 Benchmark Index (the “**Index**“) (ISIN: DE000A2DBVP0; WKN: A2DBVP) developed and designed by UniCredit Bank AG or its legal successor (the “**Index Sponsor**”), is an index calculated by UniCredit Bank AG or a legal successor determined by the Index Sponsor (the “**Index Calculation Agent**”) in Euro (the “**Index Currency**”), applying the rules (“**Index Rules**”) outlined below.

1. GENERAL DESCRIPTION

The Index shall replicate the performance of an investment with limited risk into a weighted basket of Underlying Indices, Exchange Traded Funds (“**ETFs**”) as well as a Commodity and a Cash Component (as defined in section 3.1; together the “**Basket Constituents**”) reduced by a Synthetic Dividend. The Basket weights are adjusted every three months to comply with their Target Weights (as defined in section 3.2.1). For risk control purposes, the Index participates with a variable Participation Rate (as defined in section 5) in the performance of the Basket Value (as defined in section 4). The Participation Rate is determined newly on each Index Calculation Day based on the annualized volatility (as defined in section 5). The index aims to participate in the performance of the Basket Value while controlling the frequency and intensity of the value fluctuations (volatility) of the Basket (the “**Index Objective**”).

To pursue the Index Objective, the Index Value (as defined in section 6) is determined based on the Closing Prices of the Basket Constituents in consideration of their respective Target Weights (as defined in section 3.2.1), the Participation Rate and by subtracting a Synthetic Dividend of 2.1% p.a. (as defined in section 6).

The Index Value shall be calculated on each Index Calculation Day at the Calculation Time by the Index Calculation Agent in the Index Currency.

“**Index Calculation Day**” is each day on which the Relevant Exchange(s) and the Relevant Futures Exchange(s) (as defined in section 3.1) of all Basket Constituents are scheduled to be open for business. Concerning an ETF Basket Constituent, it must be scheduled to be possible to issue and redeem shares of the respective ETF as described in the respective Fund Documents. Additionally, the publishing of Closing Prices for the Underlying Indices and the Commodity must be scheduled.

“**Calculation Time**” is the time at which Closing Prices for all relevant Basket Constituents are available for the first time for a relevant day.

“**Closing Price**” of a Basket Constituent is (i) for an Underlying Index: the Closing Price as determined by the Sponsor or Calculation Agent of the Underlying Index and published on data sources such as Bloomberg or Reuters, (ii) for an ETF: the net asset value (NAV) as determined by the management company and published on data sources such as Bloomberg or Reuters and (iii) for the Commodity: the reference price London Gold PM Fixing USD / fine ounce (31.1035g) as published by the reference market ICE Benchmark Administration Limited (“**Reference Market**”). In case of a Compo Basket Constituent the conversion in the Index Currency is based on the exchange rates as defined in section 3.1.

The current Index Value and the weights of the Basket Constituents shall be published on each Index Calculation Day on www.onemarkets.de or a successor website. Furthermore, the Index Value shall be published via Reuters (.QUIXVP70) and via Bloomberg (QUIXVP70<Index>) or a successor page.

Any determination made by the Index Sponsor and the Index Calculation Agent in their reasonable discretion (§ 315 BGB) shall be published on www.onemarkets.de or a successor website.

The Index Value as of 17th October 2016 (the “**Index Start Date**“) is EUR 1,000 (“**Index Start Value**”).

2. INVESTMENT UNIVERSE

The “**Investment Universe**“ consists of the Basket (as defined in section 3.1).

If the suitability of the Investment Universe to pursue the Index Objective is no longer given, the Index Sponsor shall change the Investment Universe in its reasonable discretion (§ 315 BGB) in such a way that a substantially unchanged tracking of the Index Objective remains possible. Such a change must not significantly adversely affect the economic situation of holders of any financial products linked to the Index.

3. COMPOSITION OF THE BASKET AND WEIGHTS OF THE BASKET CONSTITUENTS

3.1 Composition

The basket (the “**Basket**“) is composed of Underlying Indices, ETFs and a Commodity as “**Index Components**” (Basket Constituents $i = 1 - 9$) and a Cash Component (Basket Constituent $i = 10$).

The “**Cash Component**” is a synthetic cash position in the Index Currency, which shall be invested into the EONIA UCITS ETF.

i	Basket Constituent	Bloomberg	Reuters	Type	Relevant Exchange	Relevant Futures Exchange
1	STXE 600 € NRt	SXXR Index	.STOXXR	Underlying Index	EUREX	EUREX
2	S&P 500 Net TR	SPTR500N Index	.SPXNTR	Underlying Index	NYSE	CME
3	NIKKEI Net Total Return	NKYNTR Index	.N225NTR	Underlying Index	Tokyo Stock Exchange	Osaka Exchange
4	Hang Seng Index NR	HSI1N Index	.HSIDVN	Underlying Index	HKSE	HKFE
5	ISHARES GVT GMNY 1.5-2.5 DE	RXP1EX GY Equity	RXP1EX.DE	ETF	XETRA	EUREX
6	ISHAR GVT GMNY 5.5-10.5YR DE	RXP5EX GY Equity	RXP5EX.DE	ETF	XETRA	EUREX
7	ISHARES USD TREASURY 1-3YR	IUSU GY Equity	IUSU.DE	ETF	XETRA	CBOT
8	ISHARES USD TREASURY 7-10Y	IUSM GY Equity	IUSM.DE	ETF	XETRA	CBOT
9	LBMA Gold Price PM USD	GOLDLNPM Index	XAUFIXPM =	Commodity	COMEX	COMEX

1 0	EONIA UCITS ETF	XEON GY Equity	XEON.DE	ETF	XETRA	EUREX
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Basket Constituents where the price is not indicated in the Index Currency shall be converted into the Index Currency on each Index Calculation Day on the basis of the Foreign Exchange Rate of the Basket Constituents currencies (“**Compo Basket Constituent**”). The “**Foreign Exchange Rate**” equals the WM/Reuters fixing rate as published on the respective Index Calculation Day as it is available on the respective Index Calculation Day immediately after the closing of trading of all Basket Constituents (i.e. immediately after the closure of all Relevant Exchanges). If WM/Reuters does not publish the fixing rate on such Index Calculation Day, the Index Calculation Agent shall determine the relevant Foreign Exchange Rate in its reasonable discretion (§ 315 BGB). With respect to the calculation of the Index, each reference to a Basket Constituent shall be considered as a reference to the Compo Basket Constituent.

In case that an ETF distributes dividends, the net proceedings of the distributions after deduction of taxes which would be received by a German institution within the meaning of section 1 para. 1b of the German Banking Act (KWG) (“**Institution**”) shall be reinvested into the Cash Component such that the Effective Quantity (as defined in section 3.2.3) of the Cash Component on the ex-date of the dividend increases. The ex-date is the day on which the instrument is published “ex dividend” for the first time.

3.2 Weights

In the beginning of each Investment Period immediately following the Probing Day, the current weights of the Basket Constituents shall be adjusted during the Implementation Period such that they approximate the Target Weights to the extent practicable (see section 3.2.2).

“**Investment Period**“ is each consecutive three month period, starting on 15 October 2016.

“**Probing Day**“ is the next-to-last Index Calculation Day of the corresponding Investment Period, starting on 12 January 2017 (“Initial Probing Day”).

“**Implementation Period**“ consists of the first L Index Calculation Days of the Investment Period immediately following the Probing Day, on which all Relevant Exchanges and all Relevant Futures Exchanges (as defined section 3.1) of all Basket Constituents are open for business during regular trading hours.

“**Implementation Day**“ is each Index Calculation Day within the respective Implementation Period on which all Relevant Exchanges and all Relevant Futures Exchanges (as defined in section 3.1) of all Basket Constituents are open for business during regular trading hours.

“**L**” is the length of the Implementation Period; it can be 2, 3 or 4 days and is determined as follows:

- (i) If the outstanding investment volume of all investment products referring to the Index on the respective Probing Day is lower than Euro 300 million, L is equal to two Implementation Days (L=2).
- (ii) If the outstanding investment volume of all investment products referring to the Index on the respective Probing Day is equal to or greater than Euro 300 million and lower than Euro 600 million, L is equal to three Implementation Days (L=3).

- (iii) If the outstanding investment volume of all investment products referring to the Index on the respective Probing Day is equal to or greater than Euro 600 million, L is equal to four Implementation Days (L=4).

In detail, the Index Calculation Agent shall proceed as follows:

3.2.1 Target Weights

The Target Weights ω_i^{target} (the “Target Weights”) are determined for each Basket Constituent i (as defined in section 3.1) as follows:

i	Basket Constituent	Target Weights ω_i^{target}
1	STXE 600 € NRt	27.00%
2	S&P 500 Net TR	15.00%
3	NIKKEI Net Total Return	4.00%
4	Hang Seng Index NR Index	4.00%
5	ISHARES GVT GMNY 1.5-2.5 DE	18.50%
6	ISHAR GVT GMNY 5.5-10.5YR DE	18.50%
7	ISHARES USD TREASURY 1-3YR	5.00%
8	ISHARES USD TREASURY 7-10Y	5.00%
9	LBMA Gold Price PM USD	3.00%
10	EONIA UCITS ETF	0.00%

The Target Weights are the percentage share which each Basket Constituent i should have in the Basket after implementation at the end of the Implementation Period.

3.2.2 Implementation

During the respective Implementation Period the Index Calculation Agent adjusts the weights of the Basket Constituents on the Implementation Days such that at the end of the Implementation Period the weights approximate the Target Weights to the extent practicable. At the same time, the Index Calculation Agent shall take care that the turnover in the respective Basket Constituents traded at the respective Relevant Exchange is distributed over several days. Doing so, such investment volumes of Basket Constituents shall be taken into account which an Institution issuing financial products linked to the Index would have to trade in order to hedge the risks of the issuance of such financial products (“**Hedging**”).

For this purpose, the Effective Quantity (as defined in section 3.2.3) of each Basket Constituent shall be adjusted based on the Target Weights, the Closing Prices of the Basket Constituents, the Basket Value and the Net Proceeds released through the reweighting.

In detail:

The net quantity (the “**Net Quantity**“) describes the Effective Quantity Q_i of each Basket Constituent at the Calculation Time on the Probing Day. Moreover, the theoretical quantity of each

Basket Constituent at the Calculation Time is calculated taking into consideration the Target Weights as defined in section 3.2.1 (the “**Target Quantity**”). The lower of both quantities is defined as reduced quantity (the “**Reduced Quantity**”):

$$Q_i^{theo} = \frac{B_s \times \omega_i^{target}}{P_i^s},$$

$$Q_i^d = \min(Q_i^{net}, Q_i^{theo})$$

where

B_S is the Basket Value on the Probing Day

P_i^S is the Closing Price of the respective Basket Constituent on the Probing Day

Q_i^d is the Reduced Quantity

Q_i^{net} is the Net Quantity

Q_i^{theo} is the Target Quantity

ω_i^{target} is the Target Weight.

At the Calculation Time of the r-th Implementation Day the Effective Quantity of each Basket Constituent Q_i^r is defined as

$$Q_i^r = Q_i^{r-1} - I_{\{1, \dots, L-1\}}^r \times \left(\frac{Q_i^{net} - Q_i^d}{L-1} \right) + \left(\frac{P_{10}^r}{P_{10}^{r-1}} \right) \times \frac{\text{Net Proceeds}_{r-1}}{P_i^r} \times \frac{\max(0, \omega_i^{target} - \omega_i^{r-1})}{\sum_{j=1}^{10} \max(0, \omega_j^{target} - \omega_j^{r-1})},$$

where

$$Q_i^0 = Q_i^{net}$$

i is the Basket Constituent 1, ..., 10

r is the Implementation Day 1, ..., L

$I_{\{1, \dots, L-1\}}^r$ is an indicator function, i.e. $I = 0$ for $r = L$, else $I = 1$

P_i^r is the Closing Price of Basket Constituent i at the Implementation Day r (with $P_i^0 = 1$)

$\omega_i^r = Q_i^r \times \frac{P_i^r}{B_r}$ is the weight of Basket Constituent i at Implementation Day r (with $\omega_i^0 = 0$)

B_r is the Basket Value on each Implementation Day r

“**Net Proceeds**” is the amount released in the transactions on Implementation Day r and is calculated as follows:

$$\text{Net Proceeds}_r = \sum_i \left(\frac{Q_i^{\text{net}} - Q_i^{\text{d}}}{L-1} \right) \times P_i^r \quad (\text{with Net Proceeds}_0 = 0)$$

The Net Proceeds is invested immediately after the Calculation Time into the Cash Component ($i=10$) on each except the last Implementation Day. The total quantity of the Cash Component immediately after the Calculation Time on Implementation Day r is therefore:

$$Q_{10}^{r,\text{total}} = Q_{10}^r + \frac{\text{Net Proceeds}_r}{P_{10}^r}, \quad \text{with } r = 1, \dots, L-1$$

For the avoidance of doubt:

- a) To calculate the Basket Value on each except the last Implementation Day the total quantity $Q_{10}^{r,\text{total}}$ is used (and not Q_{10}^r).
- b) On the first Implementation Day only “sell” transactions are executed, on the last Implementation Day only “buy” transactions are executed.

Once the implementation is complete, the Effective Quantity on the last Implementation Day Q_i^L becomes the Effective Quantity Q_i .

In case ETF dividends are distributed during the Implementation Period, they will be reinvested in the following way:

- If the ex-date of the distribution falls on one of the implementation days $1, \dots, L-1$, the reinvestment will be carried out by increasing the total quantity $Q_{10}^{r,\text{total}}$ on the ex-date of the distribution.
- If the ex-date of the distribution falls on the last implementation day L , the reinvestment will be carried out after the completion of the implementation by increasing the Effective Quantity Q_{10}^L on the ex-date of the distribution.

3.2.3 Effective Quantity

The Effective Quantity Q_i (the “**Effective Quantity**”) is the quantity of the respective Basket Constituent in the Basket after the Implementation.

The Effective Quantity for the first investment period (“**Initial Quantity**”) is calculated as follows:

$$Q_i^{\text{initial}} = \frac{\text{Index}_{\text{initial}} \times \omega_i^{\text{target}}}{P_i^{\text{initial}}},$$

where

Q_i^{initial} denotes the Initial Quantity

$\text{Index}_{\text{initial}}$ denotes the Index Start Value

P_i^{initial} denotes the Closing Price of the respective Basket Constituent on the Index Start Date.

3.3 Extraordinary Reweighting

The Index Calculation Agent may undertake an extraordinary Index reweighting according to the procedure described in section 3.2 if the Effective Quantity does not reflect the current market situation due to changes in the market environment. The Index Calculation Agent decides in its reasonable discretion (§ 315 BGB) whether this is the case. An extraordinary reweighting must not significantly adversely affect the economic situation of holders of financial products linked to the Index.

4. CALCULATION OF THE BASKET VALUE

The “**Basket Value**” at an Index Calculation Day t is equal to the sum of the products of each Basket Constituent of (a) the Effective Quantity of the respective Basket Constituent times (b) the Closing Price of the respective Basket Constituent

or, expressed as a formula:

$$B(t) = \sum_{i=1}^{10} Q_i(t) \times P_i(t)$$

where

$Q_i(t)$ is the Effective Quantity of the respective Basket Constituent on the Index Calculation Day t

$P_i(t)$ is the Closing Price of the respective Basket Constituent on the Index Calculation Day t

The Basket Value is rounded to two decimals, whereby 0.005 is rounded up.

5. DETERMINATION OF THE PARTICIPATION RATE

The Participation Rate is determined by the Index Calculation Agent based on the realized volatility of the Basket (“**Basket Volatility**”).

On each Index Calculation Day t_j (with $j = 0, 1, 2, \dots$) the Basket Volatility is determined based on the 60 daily log returns of the Basket over a period of 61 Index Calculation Days and is then annualized. The respective period starts 62 Index Calculation Days before the respective Index Calculation Day and ends two Index Calculation Days before the respective Index Calculation Day. Log return denotes the logarithm of the change of the Basket Value between two respectively consecutive Index Calculation Days.

$$\sigma_R(t_j) = \begin{cases} 4\% & \text{for } j = 0, 1, \dots, 61 \\ \sqrt{\frac{\sum_{p=0}^{59} \left(\ln \left[\frac{B(t_{j-p-2})}{B(t_{j-p-3})} \right] \right)^2 - \frac{1}{60} \left(\sum_{p=0}^{59} \ln \left[\frac{B(t_{j-p-2})}{B(t_{j-p-3})} \right] \right)^2}{59}} * \sqrt{252}} & \text{for } j \geq 62 \end{cases}$$

where “Ln[]” is defined to be the natural logarithm of [].

The Index Calculation Agent determines on each Index Calculation Day t_j the Participation Rate $PR(t_j)$ based on the Basket Volatility $\sigma_R(t_j)$ pursuant to the following allocation table. The higher the Basket Volatility the lower the Participation Rates and vice versa.

Allocation table:

Basket Volatility $\sigma_R(t_j)$	Participation Rate $PR(t_j)$
$\sigma_R(t_j) < 5.00\%$	100.00%
$5.00\% \leq \sigma_R(t_j) < 5.20\%$	96.00%
$5.20\% \leq \sigma_R(t_j) < 5.40\%$	92.00%
$5.40\% \leq \sigma_R(t_j) < 5.70\%$	88.00%
$5.70\% \leq \sigma_R(t_j) < 5.95\%$	84.00%
$5.95\% \leq \sigma_R(t_j) < 6.10\%$	82.00%
$6.10\% \leq \sigma_R(t_j) < 6.25\%$	80.00%
$6.25\% \leq \sigma_R(t_j) < 6.40\%$	78.00%
$6.40\% \leq \sigma_R(t_j) < 6.60\%$	76.00%
$6.60\% \leq \sigma_R(t_j) < 6.75\%$	74.00%
$6.75\% \leq \sigma_R(t_j) < 6.95\%$	72.00%
$6.95\% \leq \sigma_R(t_j) < 7.15\%$	70.00%
$7.15\% \leq \sigma_R(t_j) < 7.35\%$	68.00%
$7.35\% \leq \sigma_R(t_j) < 7.55\%$	66.00%
$7.55\% \leq \sigma_R(t_j) < 7.95\%$	63.00%
$7.95\% \leq \sigma_R(t_j) < 8.30\%$	60.00%
$8.30\% \leq \sigma_R(t_j) < 8.75\%$	57.00%
$8.75\% \leq \sigma_R(t_j) < 9.25\%$	54.00%
$9.25\% \leq \sigma_R(t_j) < 9.80\%$	51.00%
$9.80\% \leq \sigma_R(t_j) < 10.40\%$	48.00%
$10.40\% \leq \sigma_R(t_j) < 11.10\%$	45.00%
$11.10\% \leq \sigma_R(t_j) < 11.90\%$	42.00%
$11.90\% \leq \sigma_R(t_j) < 12.80\%$	39.00%
$12.80\% \leq \sigma_R(t_j) < 13.90\%$	36.00%
$13.90\% \leq \sigma_R(t_j) < 14.50\%$	32.00%
$14.50\% \leq \sigma_R(t_j) < 15.50\%$	28.00%
$15.50\% \leq \sigma_R(t_j) < 16.50\%$	24.00%
$16.50\% \leq \sigma_R(t_j) < 18.00\%$	20.00%
$18.00\% \leq \sigma_R(t_j) < 20.00\%$	15.00%
$20.00\% \leq \sigma_R(t_j) < 22.00\%$	10.00%
$22.00\% \leq \sigma_R(t_j) < 24.00\%$	5.00%

$24.00\% \leq \sigma_R(t_j)$	0.00%
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6. CALCULATION OF THE INDEX VALUE

The Index Calculation Agent calculates on each Index Calculation Day t_j (with $j = 1, 2, \dots$) following the Index Start Date the index value (the “**Index Value**”, “**Index(t_j)**”) based on the following formula:

$$\begin{aligned} Index(t_j) = & Index(t_{j-1}) \\ & \times \left(1 - \frac{Div}{360} \times \Delta(t_{j-1}, t_j) + PR(t_{j-1}) \times Return_1(t_j) + (1 - PR(t_{j-1})) \right. \\ & \left. \times Return_2(t_j) \right) \end{aligned}$$

where

$Index(t_{j-1})$ denotes the Index Value on the previous Index Calculation Day (before rounding)

$\frac{Div}{360} \times \Delta(t_{j-1}, t_j)$ denotes the pro rata Synthetic Dividend since the previous Index Calculation Day

with

“**Synthetic Dividend**” equals 2.1% p.a. referring to the Index Value on the respective previous Index Calculation Day

Div = 2.1%

$\Delta(t_{j-1}, t_j)$ is the number of calendar days from Index Calculation Day t_{j-1} (excluding) until Index Calculation Day t_j (including)

$PR(t_{j-1})$ denotes the Participation Rate as determined for Index Calculation Day t_{j-1}

$Return_1(t_j)$ denotes the performance of the Basket since the previous Index Calculation Day and is calculated as follows:

$$Return_1(t_j) = \frac{B(t_j) - B(t_{j-1})}{B(t_{j-1})}$$

$Return_2(t_j)$ denotes the performance of the Cash Component since the previous Index Calculation Day and is determined as follows:

$$Return_2(t_j) = \frac{P_{10}(t_j) - P_{10}(t_{j-1})}{P_{10}(t_{j-1})}$$

The Index Value is rounded to two decimals, whereby 0.005 is rounded up.

7. MARKET DISRUPTION

7.1 Reweighting

In case a Market Disruption occurs on an Implementation Day, the respective Implementation Day is postponed to the next Index Calculation Day where the Market Disruption ceases to exist, and the following Implementation Days of the Implementation Period are postponed accordingly. If the Market Disruption continues to exist for five (5) consecutive Index Calculation Days, (i) the fifth Index Calculation Day is determined as the Implementation Day and the following Implementation Days of the Implementation Period are postponed accordingly, and (ii) the reweighting according to section 3.2 is implemented such that the Effective Quantity of the Basket Constituent affected by the Market Disruption remains unchanged in comparison with the respective previous Implementation Day. If the unchanged Effective Quantity of the respective Basket Constituent affected by the Market Disruption is lower than the Effective Quantity that should have been originally reached on the Implementation Day, the Effective Quantity of the Cash Component shall be increased proportionally. However, if the unchanged Effective Quantity of the respective Basket Constituent affected by the Market Disruption is higher than the Effective Quantity that should have been originally reached on the Implementation Day, the remaining Effective Quantities of all other Basket Constituents shall be reduced proportionally.

7.2 Index Value

If a Basket Constituent is affected by a Market Disruption on any Index Calculation Day the last available price before the Market Disruption is used for the calculation of the Index Value.

If this price is not market compliant or not suitable for any other reason, the market compliant price of the Basket Constituent is used. It is estimated by the Index Calculation Agent in its reasonable discretion (§ 315 BGB).

7.3 Definition of Market Disruption

A market disruption (a “**Market Disruption**”) shall be deemed to have occurred if and so long as any Basket Constituent is affected by a Market Disruption Event.

A “**Market Disruption Event**” means any of the following events occurring:

- a) the quotation of the Basket Constituent or of the constituents of an Underlying Index is suspended, limited or restricted by the Relevant Exchange, due to price movements exceeding the limits of the Relevant Exchange or for any other reason;
- b) the quotation of a derivative on the Basket Constituent is suspended, limited or restricted by the Relevant Futures Exchange, due to price movements exceeding the limits of the Relevant Futures Exchange or for any other reason;
- c) the quotation of ETFs or securities (e.g. index tracker certificates) reflecting the Basket Constituent is suspended, limited or restricted by the Relevant Exchanges or any other market place where such ETFs/securities are traded or by the Relevant Futures Exchanges or any other market place where derivatives of such ETFs are traded, due to price movements exceeding the limits of the Relevant Exchange or Relevant Futures Exchanges or market provider or for any other reason;
- d) the price of the Basket Constituent is not published due to any decision by the person or institution responsible for the calculation and/or publication of the net asset value (for ETFs) or value.

The Index Calculation Agent shall decide in its reasonable discretion (§ 315 BGB) whether a Market Disruption Event has occurred or not.

8. EXTRAORDINARY ADJUSTMENTS OF THE INDEX RULES

If tracking the Index Objective requires a change in the Index Rules due to (i) a significant change in the relevant regulatory or legal framework or taxation, (ii) a significant change in case law or (iii) substantially altered market circumstances, the Index Sponsor shall amend the Index Rules in its reasonable discretion (§ 315 BGB) in such a way that a substantially unchanged tracking of the Index Objective remains possible. It may also undertake an extraordinary reweighting according to section 3.3. Such a change in the Index Rules must not significantly adversely affect the economic situation of the holders of financial products linked to the Index.

In the case of a Fund Event, an Index Event, a Commodity Event or other serious circumstances, the affected Basket Constituents are replaced by constituents of an economically equivalent asset class and/or investment strategy if pursuing the Index Objective is significantly affected by the Fund Event, Index Event, Commodity Event or the other serious circumstances. This substitution is carried out by the Index Calculation Agent in its reasonable discretion (§ 315 BGB). In this context, each ETF affected by the Fund Event may be replaced by an ETF of a comparable asset class and / or investment strategy or by its benchmark index, and an extraordinary reweighting can be carried out according to section 3.3. The economic situation of the holders of financial products linked to the Index must not be changed substantially adversely by taking measures described in this paragraph.

“**Fund Event**“ with respect to the Basket Constituents which are ETFs means in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent any of the following events occurring:

- (a) changes are made in one of the Fund Documents which affect the ability of the ETF for the hedging, in particular changes with respect to (i) the risk profile of the ETF, (ii) the investment objectives or investment strategy or investment restrictions of the ETF, (iii) the currency of the ETF shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the ETF shares;
- (b) requests for the issue, redemption or transfer of ETF shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of ETF shares (other than the fees, premiums, discounts, charges, commissions, taxes or similar fees already charged before the Index Start Date) or the running fees are changed;
- (d) the ETF or the management company or the provider of ETF services appointed for this purpose by the ETF or the management company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in the Fund Documents;
- (e) a change in the legal form of the ETF;
- (f) a change of significant individuals in key positions at the management company or in the Fund Management;
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the ETF or of the management company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the ETF or of the management company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the ETF by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the

- activities of the ETF, the management company or an Fund Services Provider, or of individuals in key positions at the management company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons;
- (h) a breach by the ETF or the management company of the investment objectives, the investment strategy or the investment restrictions of the ETF (as defined in the Fund Documents), or a breach of statutory or regulatory requirements by the ETF or the management company;
 - (i) a change in laws or regulations or exchange rules or in their implementation or interpretation (whether formally or informally) which requires an Institution issuing financial products linked to the Index, in relation to the subscription, redemption or holding of ETF shares, (i) to create a reserve or provision, or (ii) to significantly increase the amount of regulatory capital held by the issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the financial products in comparison with the conditions applying on the Index Start Date;
 - (j) a change in laws or regulations or exchange rules or in their implementation or interpretation (whether formally or informally) as a result of which compliance by an Institution issuing financial products linked to the Index with the terms of the agreements it has entered into for the purpose of hedging its obligations under the financial products would become unlawful or impracticable or would entail substantially higher costs;
 - (k) the proportion of the volume held by an Institution issuing financial products linked to the Index for hedging purposes increases beyond 20% of the ETF shares outstanding;
 - (l) an Institution issuing financial products linked to the Index and purchases ETF shares for hedging purposes is required to consolidate the ETF as a result of accounting or other regulations;
 - (m) the sale or redemption of the ETF shares for reasons beyond the control of an Institution issuing financial products linked to the Index and holds ETF shares for hedging purposes, and not relating to the financial products, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
 - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional ETF shares or of the redemption or tradability of existing ETF shares or (ii) the reduction of the number of ETF shares of a shareholder in the ETF for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the ETF shares or (iv) payments in respect of a redemption of ETF shares being made in whole or in part by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets;
 - (o) the management company or a Fund Services Provider discontinues its services for the ETF or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which in the reasonable discretion of the Index Calculation Agent (§ 315 BGB) is of similarly good standing;
 - (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the ETF or the ETF shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the ETF or the merger of the ETF into or with another fund (e.g. ETF), (iii) a requirement to transfer all the ETF shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the ETF shares by the shareholders;
 - (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the ETF or the management company;
 - (r) the Index Sponsor loses the right to use the ETF share as the Basket Constituent;

- (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for an Institution issuing financial products linked to the Index or a holder of financial products linked to the Index in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent;
- (t) no notification is given of the basis of taxation for the ETF in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, “**InvStG**”) or the ETF or the management company has announced that no notification of the bases of taxation shall be given in accordance with the applicable provisions of the InvStG in the future;
- (u) changes in the investment or distribution policy of the ETF which could have a substantial negative effect on the amount of the ETF's distributions as well as distributions which diverge significantly from the ETF's normal distribution policy to date;
- (v) the ETF or the management company or a company affiliated to it breaches the agreement in relation to the ETF entered into with the Index Sponsor or an Institution issuing financial products linked to the Index in a significant respect or terminates that agreement;
- (w) the ETF or the management company, contrary to normal practice to date, fails to provide the Index Calculation Agent, the Index Sponsor or an Institution issuing financial products linked to the Index with information that such person reasonably considers necessary to enable it to monitor compliance with the ETF's investment guidelines or restrictions in a timely manner;
- (x) the ETF or the management company fails to provide the Index Calculation Agent, the Index Sponsor or an Institution issuing financial products linked to the Index with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request;
- (y) any other event that could have a noticeable adverse effect on the NAV of the ETF or the ability of an Institution issuing financial products linked to the Index to hedge its obligations under the financial products linked to the Index on more than a temporary basis;
- (z) the NAV is no longer published in the underlying currency;
- (aa) the quotation of the ETF or the ETF shares at the Relevant Exchange is finally ceased and in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent no substitute relevant exchange could be determined;
- (bb) the performance of the ETF is on five consecutive trading days higher than the performance of the index underlying the ETF, based on the closing prices.

“**Fund Services Provider**“ means in respect of an ETF, if available, the Auditor, the Administrator, the Investment Adviser, the Portfolio Manager, the Custodian Bank and the management company.

“**Fund Documents**“ means, in relation to the ETF, in each case, if available and in the respective valid version: the annual report, the half-yearly report, the interim reports, the sales prospectus, the terms and conditions, if applicable, the articles of association, the key investor information document and all other documents of the Fund in which the terms and conditions of the ETF and of the ETF shares are specified.

“**Fund Management**“ means the persons responsible for the portfolio and/or risk management of the ETF.

“**Index Event**“ means with respect to the Basket Constituents which are Underlying Indices any of the following events occurring:

- (a) the cancellation of the calculation or publication of an Underlying Index or its replacement by its sponsor

- (b) a change in the index concept or the calculation of an Underlying Index such that the new index concept or the calculation of the new Underlying Index is no longer economically equivalent to the original index concept or the calculation of the original Underlying Index; the Index Calculation Agent determines in its reasonable discretion (§ 315 BGB) whether this is the case;
- (c) any other event, which may have a material and not only temporary adverse effect on the Underlying Index; the Index Calculation Agent determines in its reasonable discretion (§ 315 BGB) whether this is the case.

“**Commodity Event**“ with respect to the Basket Constituents which are Commodities means in the reasonable discretion (§ 315 BGB) of the Index Calculation Agent any of the following events occurring:

- (a) the suspension or the restriction of the price determination of the Basket Constituent on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Basket Constituent on the Relevant Futures Exchange;
- (c) any changes in the Relevant Trading Conditions of the Basket Constituent that lead to a situation where as a result of the change, the changed trading conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change.

“**Relevant Trading Conditions**” mean with respect to the Basket Constituents which are Commodities

- (a) the method of price determination,
- (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading) and
- (c) other value determining factors,

applicable on Relevant Exchange in respect of the Basket Constituent (together the "RelevantTrading Conditions"), unless otherwise provided in below provisions.

9. ADJUSTMENT OF THE CLOSING PRICES OF THE BASKET CONSTITUENTS

If a Closing Price determined and published by the sponsor or the index calculation agent of an Underlying Index, the Reference Market of the commodity or the management company of an ETF, used for the calculation of the Index Value or for the implementation of the index weights by the Index Calculation Agent, is adjusted retrospectively, the Index Calculation Agent is allowed to re-evaluate the corresponding Index Value using the adjusted Closing Prices and use it for the Implementation; the Index Calculation Agent will implement the relevant adjustments in its reasonable discretion (§ 315 BGB). The Index Calculation Agent is going to publish the adjusted Index Value immediately.

10. INDEX SPONSOR; INDEX CALCULATION AGENT

The Index Sponsor has assigned all rights and duties with regard to the Index to the Index Calculation Agent. Moreover, the Index Sponsor is at any time authorized to select in its reasonable discretion (§ 315 BGB) a new Index Calculation Agent (the “**New Index Calculation Agent**“), whereas each reference in this description to the Index Calculation Agent shall be deemed as a reference to the New Index Calculation Agent.

11. DISCLAIMER

The Index and the Basket takes the form solely of a set of records and does not convey any direct, indirect or beneficial interest in the Index Components. Any action specified above in respect of the Index shall be effected solely on a theoretical basis by an amendment to such records. Neither Institutions issuing financial instruments linked to the Index nor the Index Calculation Agent nor the Index Sponsor are obliged to actually invest or hold an interest in the Index Components.

The calculation of the Index Value and the weights of the Basket Constituents will be performed by the Index Calculation Agent with all due care. However, neither the Index Sponsor nor the Index Calculation Agent give any representation or guarantee for the correctness of the market data underlying the calculation of the Index Value. Neither the Index Sponsor nor the Index Calculation Agent accepts any liability for any direct or indirect damage which may result from an incorrect calculation of the market data underlying the calculation of the Index Value.

FORM OF FINAL TERMS

Final Terms

dated *[Insert]*

[UniCredit Bank AG] [UniCredit International Bank (Luxembourg) S.A.]

Issue of *[Insert title of the Securities]*

(the "Securities")

[guaranteed by UniCredit S.p.A.]

under the

[Euro 50,000,000,000][Euro 1,000,000,000]

Debt Issuance Programme of

[UniCredit Bank AG] [UniCredit International Bank (Luxembourg) S.A.]

These final terms (the "Final Terms") have been prepared for the purposes of Article 5 para. 4 of the Directive 2003/71/EC, at the date of the Base Prospectus (the "Prospectus Directive") in connection with Section 6 para. 3 of the German Securities Prospectus Act, at the date of the Base Prospectus (Wertpapierprospektgesetz, the "WpPG"). 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 and UniCredit International Bank (Luxembourg) S.A. (each an "Issuer" and together the "Issuers") dated 12 May 2017 for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) (the "Base Prospectus"), [and any supplement[s] to this Base Prospectus] (the "Supplement[s]").

The Base Prospectus[, any Supplements] and these Final Terms are available [at UniCredit Bank AG, Arabellastr. 12, 81925 Munich, Federal Republic of Germany, and in addition] [in printed version free of charge at UniCredit International Bank (Luxembourg) S.A., 8-10 rue Jean Monnet, L-2180 Luxembourg, and in addition] on the website www.bourse.lu [and [Insert other website]] or any successor website thereof].

[The validity of the above mentioned Base Prospectus dated 12 May 2017, under which the Securities described in these Final Terms [are issued] [are continuously offered], ends on [Insert date]. From this point in time, these Final Terms are to be read together with the latest base prospectus of the Issuer for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) (including the information incorporated by reference in the latest base prospectus from the base prospectus, under which these securities have initially been issued) which follows this Base Prospectus. The latest base prospectus of UniCredit Bank AG for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) will be published on [●].]¹

[In case of a continuance of a public offer or an increase of Securities, which in each case, have been publicly offered or admitted to trading for the first time before the date of the Base Prospectus the following applies:

These Final Terms are to be read in conjunction with the Base Prospectus as well as the Description of the Securities and the Conditions of the Securities as included in the [Base Prospectus for the issuance of Fund-linked Securities dated 20 October 2014][Base Prospectus for the issuance of Fund-linked Securities 25 May 2016][Base Prospectus for the issuance of Single Underlying and Multi

¹ In case, the Final Terms are not prepared for a new issuance of the Securities but for the continuance of the public offer of previously issued securities.

Underlying Securities 20 September 2016] which are incorporated by reference into the Base Prospectus.]

[An issue specific summary is annexed to these Final Terms.]

SECTION A – GENERAL INFORMATION

Issue Date and Issue Price:

Issue Date: [Insert issue date] [The issue date of each Security is specified in § 1 of the Product and Underlying Data.]

Issue Price: [Insert issue price] [The issue price per Security is specified in §1of the Product and Underlying Data.] [The issue price per Security will be specified on [Insert date]. 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 [www.bourse.lu] [Insert website] (or any successor website)] after its specification.]

Selling concession:

[Not applicable; no such expenses will be charged to the investor by the Issuer [or any Distributor].] [An upfront fee in the amount of [Insert] is included in the Issue Price] [Insert details]

[In the case of Securities being offered to Italian consumers, the following applies:

The Issue Price comprises the following commission[s]: [a structuring commission for the Issuer, equal to [Insert amount] per Security] [,] [and] [a placement commission for the Distributor, equal to [Insert amount] per Security] [,] [and other charges for the Issuer equal to [Insert amount] per Security].]

Other commissions:

[Not applicable] [A total commission and concession of up to [Insert]% may be received by the Distributors]. [Insert details]

Issue volume:

The Issue Volume of [the] [each] Series [offered] [issued] under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

The Issue Volume of [the] [each] Tranche [offered] [issued] under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

Product Type:

[Garant Securities] [All Time High Garant Securities] [FX Upside Garant Securities] [FX Downside Garant Securities] [Garant Cliquet Securities] [Garant Cash Collect Securities] [Garant Performance Cliquet Securities] [Garant Digital Cash Collect Securities] [Garant Performance Cash Collect Securities] [Garant Digital Coupon Securities] [Garant Digital Cliquet Securities] [Performance Telescope Securities] [Garant Telescope Securities] [Garant Coupon Geoscope Securities] [Twin-Win Garant Securities] [Win-Win Garant Securities] [Icarus Garant Securities] [Geoscope Securities] [Garant Basket Securities] [Garant Rainbow Securities] [FX Upside Garant Basket Securities] [FX Downside Garant Basket Securities] [Proxy FX Upside Garant Basket Securities] [Proxy FX Downside Garant Basket Securities] [Garant Performance Telescope Basket Securities] [Securities linked to Basket Target Vol Strategies] [Securities linked to Target Vol Strategies with Locally Floored/Capped Asian Out] [Securities linked to Basket Target Vol Strategies with Locally Floored/Capped Asian Out]

Admission to trading and listing:

[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 for the Securities to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading [within [Insert period of time] from the Issue Date] [with effect from [Insert expected date]] on the following markets: [Regulated market of the Luxembourg Stock Exchange] [Insert other market(s)].]

[Application to listing will be made as of [Insert] on the following markets: [official list of the Luxembourg Stock Exchange] [Insert].]

[If securities of the same class of the Securities admitted to trading are already admitted to trading on a regulated or an equivalent 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: [regulated market of the Luxembourg Stock Exchange] [Insert other relevant regulated or (an) equivalent 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.]

[The [Insert name of the Market Maker] (also the "**Market Maker**") undertakes to provide liquidity through bid and offer quotes in accordance with the market making rules of [Insert relevant regulated or (an) equivalent market(s)], where the Securities are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organised and managed by [Insert relevant regulated or (an) equivalent 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 offer quotes not higher than [Insert percentage]%.]

Payment and delivery:

[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]

Terms and conditions of the offer:

[Day of the first public offer: [Insert the day of the first public offer].]

[The Securities will [initially] be offered during a subscription period [, and continuously offered thereafter] (the "**Offer Period**").

[Subscription period: [Insert first day of subscription period] – [Insert last day of subscription period] ([Insert] [p.m.] [a.m.] [Insert] local time)].]

[Subscription orders are irrevocable [,] [except for provisions [in respect to the "door to door selling", in relation to which the subscription orders will be accepted starting from [Insert first day of subscription period] to [Insert last day of door to door subscription period]] [and] [in respect to the "long distance technique selling", in relation to which subscription orders will be accepted starting

from [Insert first day of subscription period] to [Insert last day of long distance technique selling subscription period] – unless closed in advance and without previous notice –] and will be satisfied within the limits of the maximum number of Securities on offer.]

[In the case of Securities being offered to Italian consumers, the following applies:

The Securities can be placed by the relevant Distributor through ["door to door selling" (through financial sales agents, pursuant to the articles 30 and 31 of the Italian Legislative Decree 24 February 1998, n. 58)] [or] ["long distance technique selling" (pursuant to the article 67-duodecies, Par. 4 of the Italian Legislative Decree 6 September 2005, n. 206)]. Therefore, the effects of the subscription agreements will be suspended [for seven days, with reference to those "door to door selling" [,] [and] [for fourteen days, with reference to "long distance technique selling"], from the date of the subscription by the investors. Within such terms, the investor can withdraw by means of a notice to the financial promoter or the Distributors without any liability, expenses or other fees according to the conditions indicated in the subscription agreement.]

[A public offer will be made in [Germany][,] [and] [Austria][,] [and][Italy][,] [and] [France][,] [and] [Luxembourg].]

[The smallest transferable [unit][amount] is [Insert].]

[The smallest tradable [unit][amount] is [Insert].]

The Securities will be offered to [qualified investors][,] [and/or] [retail investors] [and/or] [institutional investors] [by way of [a private placement] [a public offering]] [by financial intermediaries].

[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 or withdrawn by the Issuer at any time without giving any reason.]

[No public offer occurs.] [The Securities shall be admitted to trading on an organised market.]

[Manner and date in which results of the offer are to be made public: [Not applicable][Insert details].]

[The Securities will be underwritten [with a firm commitment basis] [without a firm commitment basis] [under best efforts arrangements] by the following Distributor[s]: [Insert Distributor[s]]. [Insert percentage]% of the issue is not underwritten.] [The [underwriting] [subscription] agreement [is] [will be] dated as of [Insert date].]

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).

General consent for the subsequent resale or final placement of Securities by the financial intermediar[y][ies] is given in relation to [Germany][,] [and] [Austria][,] [and] [Italy][,] [and] [France][,] [and] [Luxembourg].]

[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)*].

Individual consent for the subsequent resale or final placement of the Securities by the financial intermediar[y][ies] is given in relation to [Germany][,] [and] [Austria][,] [and] [Italy][,] [and] [France][,] [and] [Luxembourg] to [*Insert name[s] and address[es]*] [*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.]

Besides, the consent is not subject to any other conditions.]

[Not applicable. No consent is given.]

US Selling Restrictions:

[TEFRA C]

[TEFRA D]

[Neither TEFRA C nor TEFRA D]¹

Interest of Natural and Legal Persons involved in the Issue/Offer:

[With regard to trading of the Securities the Issuer has a conflict of interest being also the Market Maker on the [*Insert relevant regulated or equivalent market(s)*]; [moreover] [[T][t]he [*Insert relevant regulated or equivalent market(s)*] is organised and managed by [*Insert name*], a company in which UniCredit S.p.A. – the Holding Company of UniCredit Bank AG as the Issuer – has a stake in.] [The Issuer is also the arranger and the Calculation Agent of the Securities.] [The Issuer, the Guarantor and the Dealer (UniCredit Bank AG), have a conflict of interest to the holder of the Securities, as they all belong to UniCredit Group. In particular, the Dealer is also the Arranger, Calculation Agent of the Securities and distributor.]

[Not applicable]

Additional information:

[*Insert additional provisions*]²

[Not applicable]

¹ Only applicable in the case of Securities, which are qualified as registered obligation in terms of Section 5f.103-1 of the United States Treasury Regulations and Notice 2012-20, and in case of Securities in bearer form (bearer securities) in terms of Notice 2012-20 of the United States Internal Revenue Service (IRS) with a maturity of one year or less (including unilateral rollovers or extensions).

² Only such additional information will be included that are foreseen in Annex XXI of the Prospectus Directive (Commission Regulation (EC) No 809/2004 of 29 April 2004.

SECTION B – CONDITIONS

Part A - General Conditions of the Securities

Type of the Securities:	[Notes] [Certificates]
Global Note:	[Permanent Global Note] [Temporary Global Note]
Principal Paying Agent:	[UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] <i>[Insert name and address of other paying agent]</i>
French Paying Agent:	[CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France] <i>[Insert name and address of other French Paying Agent]</i> [Not applicable]
Calculation Agent:	[UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] <i>[Insert name and address of other calculation agent]</i>
Clearing System, Custody:	[CBF] [CBL and Euroclear Bank] [Euroclear France] [Other] <i>[In the case of Securities being offered to Italian consumers, the following applies: (bridge to Monte Titoli)]</i>

Part B - Product and Underlying Data

[Insert "Product and Underlying Data" (including relevant options contained therein) and complete relevant placeholders]

Part C - Special Conditions of the Securities

[Insert the relevant Option of the "Special Terms and Conditions of the Securities" (including relevant options contained therein) and complete relevant placeholders]

[UniCredit Bank AG] [UniCredit International Bank (Luxembourg) S.A.]

[Insert issue specific summary here, if applicable. It shall be noted that the issue specific summary needs to be drafted on the basis of the summary set out in the Base Prospectus. No further information may be added, but the information will be made specific for the relevant issue of Securities only, i.e. parts of the summary relating to the Base Prospectus which are of no relevance for a specific issue must be deleted and information which is drafted in a general manner must be replaced by issue specific information.]

FORM OF WAIVER NOTICE

The form of Waiver Notice is applicable for Securities which shall be admitted to trading on an Italian regulated or unregulated market:

FORM OF WAIVER OF EXERCISE

(Name of Securities and ISIN)

To: **UniCredit Bank AG**

Facsimile: + 39 02 49535357

Failure properly to complete this waiver of exercise or to submit a substantially similar form of waiver of exercise shall result in the waiver of exercise being treated as null and void.

PLEASE USE BLOCK CAPITALS

1. Details of Holder(s) of the Securities

Name:

Address:

Facsimile:

Telephone:

Details of Tranche of Securities

The Tranche of Securities to which this waiver of exercise relates:

Waiver of Automatic Exercise

I/We, being the holder of the Securities referred to below forming part of the above Tranche of Securities, hereby waive the automatic exercise of such Securities in accordance with the Conditions thereof.

Number of Securities

The number of Securities is as follows:

Dated

Signed

[In the case of Securities issued by UniCredit International Luxembourg, the following applies:

GUARANTEE

The guarantee (the "**Guarantee**") is applicable for Guaranteed Securities issued from time to time by UniCredit International Luxembourg under this Base Prospectus:

GUARANTEE

1. The Guarantor hereby irrevocably and (subject as provided in paragraph 2 below) unconditionally guarantees:
 - (i) the due and punctual payment of the principal of and interest on all Guaranteed Securities issued from time to time by UniCredit International Luxembourg and of all other amounts payable by UniCredit International Luxembourg under this Base Prospectus in relation to such Guaranteed Securities and the relevant coupons; and
 - (ii) the due and punctual performance and observance by UniCredit International Luxembourg of each of the other provisions of this Base Prospectus on its part to be performed or observed in relation to such Guaranteed Securities and coupons when issued by it.
2. The Guarantor's obligations under this Guarantee shall be limited to the aggregate amount of Euro 1,100,000,000 (the "**Maximum Guaranteed Amount**"). If the aggregate amount of liabilities due under the Guaranteed Securities exceeds the Maximum Guaranteed Amount, any and each Security Holder's claim under the Guarantee, including any and each Security Holder's claim for which payment has been previously made under the Guarantee, shall be reduced pro rata so that the aggregate amount of such liabilities shall not exceed the Maximum Guaranteed Amount, and any and each Security Holder who previously received payment under the Guarantee of an amount that exceeds such pro rata amount shall repay the excess amount to the Guarantor upon demand of the Guarantor.
3. For the avoidance of doubt, the Guarantor's obligations under this Guarantee shall only apply to Guaranteed Securities issued by UniCredit International Luxembourg from time to time.
4. The effectiveness of the Guarantee is subject to the actual issues of Guaranteed Securities by UniCredit International Luxembourg and limited to the overall amount of such issuances outstanding from time to time and such other amounts as provided for in subparagraphs (i) and (ii) of paragraph 1 above.
5. If UniCredit International Luxembourg fails for any reason whatsoever to pay any such principal, interest or other amount thereby giving rise to a default (being an event upon the happening of which the securities of any Series would, as therein provided, become immediately due and repayable), the Guarantor shall cause each and every such payment to be made as if the Guarantor instead of UniCredit International Luxembourg were expressed to be the primary obligor of the relevant Guaranteed Security and not merely as surety (but without affecting the Issuer's obligations) to the intent that the holder thereof shall receive the same amounts in respect of principal, interest or such other amount as would have been receivable had such payments been made by the Issuer.
6. If any payment received by any Security Holder or couponholder pursuant to the provisions of this Base Prospectus in relation to such Guaranteed Securities or the coupons shall (whether on the subsequent bankruptcy, insolvency or corporate reorganisation of the Issuer or, without limitation, on any other event) be avoided or set aside for any reason, such payment shall not be considered as discharging or diminishing the liability of the Guarantor and this Guarantee shall continue to apply as if such payment had at all times remained owing by UniCredit International Luxembourg and the Guarantor shall indemnify the relevant Security Holder and/or couponholder

(as the case may be) in respect thereof provided that the obligations of the Guarantor under this paragraph 6 shall, as regards each payment, made to any Security Holder or couponholder which is avoided or set aside, be contingent upon such payment being reimbursed to UniCredit International Luxembourg or other persons entitled through UniCredit International Luxembourg.

7. The Guarantor hereby agrees that its obligations hereunder shall (subject as provided in paragraph 2 above) be unconditional and that the Guarantor shall be fully liable irrespective of the validity, regularity, legality or enforceability against UniCredit International Luxembourg of, or of any defence or counter-claim whatsoever available to UniCredit International Luxembourg in relation to, its obligations under this Guarantee, whether or not any action has been taken to enforce the same or any judgment obtained against UniCredit International Luxembourg, whether or not any of the other provisions of this Base Prospectus have been modified, whether or not any time, indulgence, waiver, authorisation or consent has been granted to UniCredit International Luxembourg by or on behalf of the relevant Security Holders and the relevant coupon holders, whether or not there have been any dealings or transactions between UniCredit International Luxembourg, any of the relevant Security Holders or coupon holders, whether or not UniCredit International Luxembourg has been dissolved, liquidated, merged, consolidated, bankrupted or has changed its status, functions, control or ownership, whether or not UniCredit International Luxembourg has been prevented from making payment by foreign exchange provisions applicable at its place of registration or incorporation and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to a guarantor. Accordingly, the validity of this Guarantee shall not be affected by reason of any invalidity, irregularity, illegality or unenforceability of all or any of the obligations of UniCredit International Luxembourg under this Base Prospectus and this Guarantee shall not be discharged nor shall the liability of the Guarantor under this Guarantee be affected by any act, thing or omission or means whatever whereby its liability would not have been discharged if it had been the principal debtor.
8. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger or bankruptcy of UniCredit International Luxembourg, any right to require a proceeding first against UniCredit International Luxembourg, protest or notice with respect to the relevant Guaranteed Securities or coupons or the indebtedness evidenced thereby and all demands whatsoever and hereby covenants that this Guarantee shall be a continuing guarantee, shall extend to the ultimate balance of all sums payable and obligations owed by UniCredit International Luxembourg under this Base Prospectus in relation to the relevant Guaranteed Securities and coupons, shall not be discharged except by complete performance of the obligations contained in this Base Prospectus in relation to the relevant Guaranteed Securities and coupons and is additional to, and not instead of, any security or other Guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise.
9. If any moneys shall become payable by the Guarantor under this Guarantee the Guarantor shall not, so long as the same remain unpaid:
 - (i) in respect of any amounts paid by it under this Guarantee, exercise any rights of subrogation or contribution or, without limitation, any other right or remedy which may accrue to it in respect of or as a result of any such payment; or
 - (ii) in respect of any other moneys for the time being due to the Guarantor by UniCredit International Luxembourg, claim payment thereof or exercise any other right or remedy.

If, notwithstanding the foregoing, upon the bankruptcy, insolvency or liquidation of UniCredit International Luxembourg any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Guarantor before payment in full of all principal of, and interest on, the relevant Guaranteed Securities and coupons shall have been made to the relevant Security Holders and coupon holders, such payment or

distribution shall be received by the Guarantor on trust to pay the same over towards the payment of all sums due and unpaid under this Base Prospectus.

10. The obligations of the Guarantor under this Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank and will rank pari passu with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.
11. This Guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be construed in accordance with, German law.

[INSERT RELEVANT DEED SIGNATURE BLOCK FOR UNICREDIT S.P.A.]

TAXES

The following section discusses certain tax issues associated with the purchase, ownership and disposal of the securities. The discussion is limited to certain tax issues in Germany, Austria, Luxembourg, France, Italy and US.

In addition, it is not intended as a comprehensive discussion of all possible tax consequences under those legal systems. It is quite possible that there are other tax considerations that may be relevant when making a decision to invest in the securities. As each security may be subject to different tax treatment due to the special conditions of the issue in question as indicated in the final conditions, the following section also contains only very general information on the possible tax treatment. In particular, the discussion does not take into account special aspects or circumstances that may be relevant to the individual investor. It is based on the tax laws in effect in Germany, Austria, Luxembourg, France, Italy and US on the date of this basic prospectus. These laws are subject to change. Such changes can also be made retroactively.

The taxation of income from the Securities also depends on the concrete terms and conditions of the securities and the individual tax situation of each investor.

The Issuer assumes no responsibility for deducting any withholding taxes.

Investors and interested parties are urgently advised to consult their tax advisor with regard to taxation in their particular case.

OECD Common Reporting Standard, EU Administrative Cooperation Directive

Under the "**OECD Common Reporting Standard**," the states required to apply that standard (participating states) are required from 2016 onward to exchange information on financial accounts held by individuals outside their country of residence. The same applies as of 1 January 2016 for the member states of the European Union. On the basis of a supplement to the Directive 2011/16/EU on administrative cooperation in the field of taxation (the "**EU Administrative Cooperation Directive**"), the member states are also required from that date onward to exchange financial information on reportable accounts held by persons who reside in another EU member state. Investors should obtain information and/or seek advice on further developments.

Financial transaction tax

On 14 February 2013 the European Commission issued a draft directive (the "**Commission proposal**") for a common financial transaction tax in Austria, Belgium, Germany, Estonia, Greece, Spain, France, Italy, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia has since announced that it no longer wishes to participate.

The scope of the Commission proposal is very broad and, if adopted, it could be applicable under certain circumstances to specific transactions related to the securities (in particular secondary market transactions).

Under the Commission proposal the financial transaction tax could be applicable under certain circumstances to certain persons both within and outside the Participating Member States. In general it would apply to certain securities transactions in which at least one party is a financial institution and at least one party is established in a Participating Member State. A financial institution can be 'established' – or deemed to be 'established' – in a Participating Member State under various conditions, in particular (a) through transactions with a person resident in a Participating Member State or (b) in cases in which the financial instrument underlying the transaction is issued in a Participating Member State.

During last Ecofin meeting on 6 December 2016, Finance EU Ministers indicated that the Member States will continue the discussions in relation to the European financial transaction tax in January with a view to reaching an agreement by mid-2017. According to latest public statements made by representatives of certain EU Member States, the European financial transaction tax may be levied for the first time in 2018.

The proposal for the financial transaction tax is still under negotiation by (certain) EU Member States. Consequently it may be changed prior to implementation, the timing of which remains uncertain. Other member states could decide to participate.

In addition to a possible European financial transaction tax, France and Italy have already introduced their own financial transaction tax.

Investors are advised to obtain professional advice with regard to financial transaction taxes.

GERMANY

Taxation of the Securities in Germany

Income tax

The following section begins with a description of the tax aspects for persons resident in Germany, followed by a description of the tax aspects for persons not resident in Germany.

Persons resident in Germany

Residents of Germany are required to pay income tax in Germany on their world-wide income (unlimited tax liability). This applies regardless of the source of the income and includes interest from financial claims of any kind (e.g. the Securities) and, as a rule, gains on disposal.

Natural persons are subject to income tax and corporate entities generally to corporate tax. In addition, the solidarity surcharge must be paid and, if applicable, church tax and/or business tax. In case of partnerships, the tax treatment depends on the partners (including any indirect shareholders). This section does not discuss the special aspects of the taxation of partnerships.

A natural person is deemed a resident of Germany if his/her place of residence or habitual abode is located there or, in case of corporate entities, its domicile or effective place of management.

(1) Taxation of Securities held as part of personal assets

The following applies to natural persons resident in Germany who hold the Securities as part of their private assets:

(a) Income

The Securities should qualify as other financial claims within the meaning of Section 20 (1) No. 7 of the Income Tax Act ("**ESTG**").

Payments on the Securities should qualify as investment income.

Gains or losses on disposal of the Securities should generally also qualify as positive or negative investment income. A gain/loss on disposal is equal to the difference between the purchase cost and the sale proceeds. In addition, only expenses directly and materially related to the sale transaction can be deducted.

For warrants, the disposal gains/losses should be calculated as the value of the amount of cash or other benefit received less the expenses directly related to the sale, e.g. the purchase costs for the warrant.

For transactions not executed in euros, the purchase costs and the sale proceeds must be converted into euros based on the exchange rate at the times of the respective transactions.

If the Securities are not sold, but rather redeemed, repaid, assigned or deposited in a corporation as hidden contributions, then these events are treated as a disposal.

Losses on disposal can only be set off against other investment income. If there is no other investment income, the losses can be carried forward to future taxation periods.

According to the current opinion of the tax authorities, no disposal of other financial claims - except warrants - is deemed to occur if the sale price does not exceed the actual transaction costs. Consequently, losses from such a transaction are not deductible. The same applies in case of an agreement under which the transaction costs are limited by charging them in the form of a deduction from the sale price. This view of the tax authorities has been challenged by a final ruling of a German lower fiscal court. In the same way, a default of other financial claims - except warrants - will not be treated as a disposal (e.g. in case the Issuer becomes insolvent). The same applies to a debt writedown/waiver unless there are hidden contributions in a corporation. As a result, losses from a default or debt writedown/waiver of other financial claims - except warrants - are not deductible in the opinion of the tax authorities. With respect to a default the view of the German tax authorities has been confirmed by a non-final ruling of a German lower fiscal court. With respect to a (voluntary) waiver a German lower fiscal court has recently confirmed the view of the German tax authorities in a final decision. In the view of the Issuer, however, losses from other causes (e.g. due to a decrease in value of an underlying) should be deductible, subject to the above-mentioned restrictions on the setting off of losses and to the contents of the following paragraph. However, investors should note that this opinion of the Issuer cannot be taken as a guarantee that the tax authorities and/or courts will agree.

Moreover, the tax authorities are currently of the opinion that, in case of a barrier certificate with several payment dates before final maturity, the income at those dates represents interest income. This would always be the case unless the issue conditions contain clear stipulations on repayment or partial repayments during the term of the certificate and the contractual partners proceed accordingly. If no further payments are made on these certificates at final maturity, then an event comparable to a disposal in the meaning of Section 20 (2) of the Income Tax Act (EStG) is not deemed to exist, which means that any remaining purchase costs would not be tax deductible. Similarly, if no or only a de-minimis payment is due for a certificate at final maturity because the price of the underlying is outside a range specified in the issue conditions, or if the certificate is terminated prematurely with no or only a de-minimis further capital payments because the underlying is no longer within the range (e.g. for knock-out certificates), a disposal in the meaning of Section 20 (2) of the Income Tax Act (EStG) is not deemed to exist. Here, too, therefore, any remaining purchase costs would not be tax deductible. Although the opinion published by the authorities applies only to such products as knock-out certificates with several payout dates, the application of the above principles to other securities cannot be ruled out.

If the final conditions of the Securities stipulate physical delivery of debentures, equities, fund shares or other securities at final maturity instead of cash settlement, the Securities could qualify as convertible bonds, exchangeable bonds or similar instruments. That depends on the detailed terms of the final conditions of the Securities, e.g. whether the Issuer or the investor can opt for physical settlement. In that case, the physical settlement could be seen as the disposal of the Securities followed by the purchase of the Securities received. Depending on the wording of the final conditions, however, the original purchase costs of the Securities could be treated either as notional disposal proceeds for the Securities or notional purchase costs for the Securities received (Section 20 (4a) (3) EStG), so that ultimately no taxable disposal gains should arise at the time of settlement. However, disposal gains arising from the onward sale of the received Securities are always taxable.

(b) Capital gains tax / withholding tax

Investment income (e.g. interest and disposal gains) is generally subject to capital gains tax in the form of a tax deduction when it is paid out.

If a German branch of a German or foreign financial institution or financial services provider or a German securities trading company or German securities trading bank (referred to as a "**disbursing institution**") keeps the Securities in custody, pays out the investment income, or credits it to the investor's account, the paying institution deducts the capital gains tax (for exceptions see below).

The capital gains tax is always calculated on the basis of the gross investment income (as described above, i.e. before deduction of capital gains tax). However, if the disbursing institution does not know the amount of the purchase costs in case of disposal transactions, for example because the Securities were transferred from a foreign securities account, and if the purchase costs are not allowed to be documented or actually not documented by the taxpayer in the form required by law, the tax deduction is calculated as 30 % of the proceeds from the sale or redemption of the Securities. When determining the basis for calculation, the disbursing institution must deduct any negative investment income not previously taken into account (e.g. disposal losses) and accrued interest from the same calendar year or previous years up to the amount of the positive investment income.

The capital gains tax rate is 26.375 % (including the solidarity surcharge, plus church tax if applicable).

If the investor is subject to church tax, it is collected in addition to the capital gains tax unless the investor has submitted an objection to the Federal Central Tax Office on the retrieval of data on religious affiliation (restriction entry). In case of a restriction entry, the investor is obliged to report all investment income in his/her tax return for church tax purposes.

Capital gains tax is not deducted if the investor has submitted an exemption declaration to the disbursing institution. However, the institution will refrain from deducting the withholding tax only as long as the investor's total investment income does not exceed the amount indicated in the exemption declaration. At present the maximum exemption is EUR 801 (EUR 1,602 in case of jointly assessed spouses and registered partners). Similarly, no capital gains tax is deducted if the investor provides the disbursing institution with a tax exemption certificate from the tax office with jurisdiction over his/her place of residence.

The Issuer is not obliged to deduct and transfer capital gains tax for payments in connection with the Securities, unless the Issuer is acting as a disbursing institution.

(c) Assessment procedure

In general, the tax treatment of investment income takes the form of capital gains tax deductions (see above). If capital gains tax is deducted, the deducted amount will generally cover the payable taxes (flat tax on investment income).

If no or not sufficient capital gains tax is deducted, and this is not the result of an exemption declaration or certain other cases, then the investor is obliged to file a tax return. The investment income is then taxed on the basis of an assessment procedure. Even if capital gains tax has been deducted, investors subject to church tax who have requested a blocking entry with the Federal Central Tax Office must report their investment income in their tax returns for church tax purposes. The investor may opt for inclusion of investment income in its tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor's aggregated flat tax liability on investment income (e.g., because of available losses carried forward or foreign tax credits).

The special tax rate for investment income (26.375 %, including the solidarity surcharge, and plus church tax if applicable) generally applies in the assessment procedure as well. In certain cases the investor can submit an application requesting the application of its personal income tax rate to investment if that treatment is more favourable. However, this application can be submitted only to request such treatment of all investment income within a given assessment period. In case of jointly assessed spouses or registered partners, only a joint application is permitted.

When determining the investment income, the fixed savings income deduction of EUR 801 (EUR 1,602 for jointly assessed spouses/registered partners) can be recognised as an expense. Actual expenses, if any, cannot be deducted. This also applies if the investment income is subject to an individual income tax rate.

(2) Tax treatment of Securities held as business assets

Interest income and disposal gains are also subject to taxation in Germany in case of Securities held as business assets. If the investor is a corporate entity, the investment income is subject to corporate tax at a rate of 15 %. If the investor is a natural person, the investment income is subject to individual income tax at a rate of up to 45 %. The solidarity surcharge also applies. This is equal to 5.5 % of the corporate or income tax. In addition, business tax may be payable at the rate set by the community in which the business enterprise is located. In case of natural persons, church tax may also be payable.

If the final conditions of the Securities stipulate physical delivery of debentures, equities, fund shares or other securities at final maturity instead of cash settlement, such physical delivery would be regarded as the taxable disposal of securities. Any disposal gains would be taxable; any disposal losses should be deductible in principle.

The regulations for capital gains tax as outlined above for privately held securities are generally applicable. However, investors who hold securities as business assets cannot submit an exemption declaration. Moreover, unlike in the case of privately held securities, no capital gains tax is deducted in case of disposal gains, for example if (a) the investor is a corporation, an association of individuals or an estate or (b) the capital gains represent business income of a domestic business operation and the investor submits a declaration to this effect to the disbursing institution using the required official form.

In case of securities held as business assets, the deducted capital gains tax is treated as an advance payment of income or corporate tax and is credited or refunded in the assessment procedure.

Persons not resident in Germany

Persons who are not tax residents of Germany are generally not liable for tax payments in Germany on income from the Securities.

This does not apply, however, if (i) the Securities are part of business assets for which a business operation is maintained in Germany or for which a permanent representative is appointed or if (ii) for other reasons, the income from the Securities belongs to domestic income within the meaning of Section 49 of the German Income Tax Act (EStG). In both of these cases, the investor is subject to limited tax liability in Germany for the income from the Securities. In general, the information given for persons resident in Germany then applies (see above).

Other taxes

Inheritance and gift tax

In general, inheritance tax applies in Germany in connection with the Securities if either the testator or the heir is a tax resident of Germany or if the Securities are part of business assets for which a business operation is maintained or a permanent representative is appointed in Germany. Similarly, gift tax applies in Germany if either the benefactor or the presentee is a tax resident of Germany or if the Securities are part of business assets for which a business operation is maintained or a permanent representative is appointed in Germany. Exemptions to inheritance and gift tax may apply if the Securities are part of business assets for which a business operation is maintained.

Due to the few double taxation treaties in effect with regard to inheritance and gift tax, tax regulations may differ. Moreover, special regulations apply to German citizens living abroad who formerly resided in Germany.

Other taxes

No stamp duty, issuance tax, registration tax or similar taxes apply in Germany with regard to the issue, delivery or printing of Securities. No wealth tax is collected in Germany at present.

AUSTRIA

This section on taxation contains a brief overview of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Securities in Austria. This overview does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential holders of the Securities. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This overview is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential holders in the Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Securities. Tax risks resulting from the Securities (in particular from a potential qualification as a foreign investment fund within the meaning of sec. 188 of the Austrian Investment Funds Act 2011 (Investmentfondsgesetz 2011)) shall in any case be borne by the holder of the Securities. For the purposes of the following it is assumed that the Securities are legally and factually offered to an indefinite number of persons. As far as not explicitly mentioned otherwise the following overview refers to Securitiesholders who are individuals resident in Austria holding the Securities as non-business property.

General remarks

Individuals having a domicile (*Wohnsitz*) or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in sec. 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria (individuals resident in Austria) are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria (individuals resident in Austria) are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) or their legal seat (*Sitz*), both as defined in sec. 27 of the Austrian Federal Fiscal Procedures Act, in Austria (corporations resident in Austria) are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria (corporations not resident in Austria) are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Securities held privately by Austrian resident Individuals

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the alienation, redemption and

other realisation of assets that lead to income from the letting of capital, including income from zero coupon bonds and broken-period interest (i.e., accrued interest); and

- income from derivatives (*Einkünfte aus Derivativen*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates.

Individuals subject to unlimited income tax liability in Austria holding the Securities as non-business assets are subject to income tax on all investment income from the Securities pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income from the Securities paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle, also referred to as "securities account keeping agent"*), the income is subject to withholding tax (*Kapitalertragsteuer*) at a rate of 27.5%. The Austrian paying agent or custodian is the Austrian credit institution including Austrian branches of non-Austrian credit institutions or investment service provider domiciled in the EU.

Investment income from the Securities which is not subject to Austrian withholding tax (i.e., if it is not paid via an Austrian paying agent or an Austrian custodian) must be included in the Securitiesholder's income tax return and is subject to income tax at the flat tax rate of 27.5% mentioned above.

No additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act) or declared in the assessment. Expenses and costs which are directly connected with income subject to the special tax rate of 27.5% are not deductible.

In both cases upon application the option exists to tax all income subject to income tax at the flat rate mentioned above at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Whether the use of the option is beneficial from a tax perspective, should be determined by consulting a tax advisor.

Realized capital gains are the difference between (a) the amount realized (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of a deemed realization) and (b) the acquisition costs; in each case including accrued interest, if any. For Securities held as private assets, the acquisition costs shall not include ancillary acquisition costs. For the calculation of the acquisition costs of Securities held within the same securities account and having the same securities identification number but which are acquired at different points in time, an average price shall apply.

Capital gains are not only subject to withholding tax upon an actual disposition or redemption of the Securities, but also upon a deemed realization.

- A deemed realization takes place due to a restriction of the Austrian taxing right in the Securities (e.g. move abroad, donation to a non-resident, etc). In case that the Securities are held on an Austrian securities account the Austrian withholding agent (custodian or paying agent) has to impose the withholding tax and such withholding tax needs to be deducted only upon actual disposition of the Securities or withdrawal from the account. If the holder of the Securities has timely notified the Austrian custodian or paying agent of the restriction of the taxing right in the Securities (e.g., due to his or her relocation to another country) not more than the value increase in the Securities until relocation is subject to Austrian withholding tax. An exemption of withholding tax applies in case of moving to another member state of the European Economic Area if the Securitiesholder presents to the Austrian custodian or paying agent a tax assessment notice of the year of migration in which the option for a deferral of tax has been exercised.
- A deemed realization also takes place upon withdrawals (*Entnahmen*) from an Austrian securities account and other transfers of Securities from one Austrian securities account to another one. Exemptions apply in this case for a transfer of the Securities to another deposit

account, if certain information procedures are fulfilled and no restriction of the Austrian taxing right is given (e.g. no donation to a non-resident).

Income from Notes which are not legally or actually publicly offered within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates of up to 50 per cent (for income up to EUR 1 million p.a.) and 55 per cent (as far as the income exceeds EUR 1 million p.a.).

Sec. 27(8) of the Austrian Income Tax Act, inter alia, provides for the following restrictions on the offsetting of losses: negative income from realised increases in value and from derivatives may be neither offset against interest from bank accounts and other non-securitised claims vis-à-vis credit institutions (except for cash settlements and lending fees) nor against income from private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*); income subject to income tax at the flat rate mentioned above may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income.

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian is obliged to automatically offset negative investment income against positive investment income according to the mandatory rules, taking into account all of a taxpayer's bank deposits with the Austrian custodian. If negative and at the same time or later positive income is earned, then the negative income is to be offset against the positive income. If positive and later negative income is earned, then withholding tax on the positive income is to be credited, with such tax credit being limited to 27.5% of the negative income. In certain cases, the offsetting is not permissible, e.g., in case of accounts held as trustee or community accounts or if the Securitiesholder did not proof the acquisition costs. The Austrian custodian has to issue a written confirmation on each offsetting of losses to the taxpayer.

Securities held as business assets by Austrian resident Individuals

Generally the same rules as in the previous heading apply regarding Securities that are held as business assets by tax residents who are individuals. The most important differences are the following:

- While withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value (i.e. capital gains) and income from derivatives must be included in the Securitiesholder's annual income tax return (nevertheless the income tax at the flat rate mentioned above applies). It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective in case the Notes are held as business assets.
- Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to income tax at the flat rate mentioned above, are primarily to be offset against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets; but parts of the remaining negative difference (namely 55%) may be offset against other types of income.
- The Austrian custodian does not implement the offsetting of losses with respect to deposit accounts that are not privately held; instead losses are taken into account upon the tax assessment of the holder of the Securities.
- The acquisition costs of Securities held as business assets may also include ancillary costs incurred upon the acquisition ("*Anschaffungsnebenkosten*").

Securities held by Austrian corporations

Pursuant to sec. 7(2) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Securities at

a rate of 25%. In the case of income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Securities which is paid by an Austrian withholding tax agent (paying agent or custodian agent) the income is subject to withholding tax at a rate of 27.5%. However, the 25% rate may pursuant to sec. 93(1a) of the Austrian Income Tax Act also be applied by the withholding agent if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax liability. Corporate Securitiesholders deriving business income from the Securities may avoid the application of withholding tax by filing a declaration of exemption with the withholding tax agent, which must also be forwarded to the tax office (Befreiungserklärung) as set forth in sec. 94(5) of the Austrian Income Tax Act. Losses from the alienation of the Securities held in business property of the corporation can be offset against other income without the restrictions mentioned in the previous heading (in the tax assessment of the Holder).

Private foundations

Pursuant to sec. 13(3)(1) in connection with sec. 22(2) of the Austrian Corporate Income Tax Act, private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Securities as non-business assets are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. In case of investment income from the Securities with an Austrian nexus, income is in general subject to withholding tax at a rate of 27.5%. However, the 25% rate may pursuant to sec. 93(1a) of the Austrian Income Tax Act also be applied by the withholding agent if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Non-resident Holders

Non-resident holders are individuals who have neither a domicile nor their habitual abode in Austria and corporations that have neither their corporate seat nor their place of management in Austria (both also referred to as "non-residents").

As of 1 January 2017 interest income from the Notes is generally subject to limited tax liability, if the income is received by non-resident individuals (with the exception of persons resident in a country which takes part in the automatic information exchange with Austria). However, no such taxation of interest income applies to the Notes at hand in the case of non-resident holders, as the issuer has neither its seat nor its place of management in Austria and under the condition that the issuer does not have a branch in Austria which is involved in the issuance of the Notes. The exemption of withholding tax requires (among others) a proof of the holder's non-residence (including certificate of residence of the holder). Otherwise the holder may claim for a refund of any tax withheld on the income from the Securities with the Austrian tax authorities.

Broken-period interest (i.e. accrued interest) in case of a sale or other disposition of the Notes (including the difference between the sales price and the acquisition cost in case of zero-coupon-bonds) is regarded as interest income subject to non-resident taxation if the debtor of the accrued interest (the acquirer of the Notes) has its seat, domicile or its place of management in Austria or is the branch of a foreign bank, and the sales transaction, in the course of which the accrued interest is paid, is handled by an Austrian withholding tax agent. No taxation of interest income applies vis-à-vis non-resident corporate holders. No taxation of interest also applies vis-à-vis individuals who are residents in a country, with which Austria agreed on an automatic exchange of information, if an appropriate proof is provided by the holder. The proof has to be furnished among others by the presentation of a certificate of residence issued by the tax authorities of the holder's residence state and further documentation in case of corporations. In case of transparent partnerships the residence status of the partners is decisive. Moreover, tax withheld may be (fully or partly) refundable to the non-resident holder upon their application under a double tax convention, which has to be filed by the non-resident holder with the competent Austrian tax office.

Where non-residents receive income from the Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident holders, i.e. both interest income and capital gains received via the permanent establishment are subject to tax and – in case of an Austrian withholding tax agent – Austrian withholding tax has to be imposed, unless an exemption (like the exemption declaration for corporations) is applicable (see the description for Austrian resident holders).

Risk of qualification of Securities as foreign investment fund units

Pursuant to sec. 188 of the Austrian Investment Funds Act 2011 as amended in the course of the implementation of Directive 2011/61/EU, the term "foreign investment fund" comprises (i) undertakings for collective investment in transferable securities the state of origin of which is not Austria; (ii) alternative investment funds pursuant to the Austrian Act on Alternative Investment Fund Managers (*Alternative Investmentfonds Manager-Gesetz*) the state of origin of which is not Austria; and (iii) secondarily, undertakings subject to a foreign jurisdiction, irrespective of the legal form they are organised in, the assets of which are invested according to the principle of risk-spreading on the basis either of a statute, of the undertaking's articles or of customary exercise, if one of the following conditions is fulfilled: (a) the undertaking is factually, directly or indirectly, not subject to a corporate income tax in its state of residence that is comparable to Austrian corporate income tax; (b) the profits of the undertaking are in its state of residence subject to corporate income tax that is comparable to Austrian corporate income tax, at a rate of less than 15%; or (c) the undertaking is subject to a comprehensive personal or material tax exemption in its state of residence. Certain collective investment vehicles investing in real estate are exempted. Income from investment funds is taxed at a flat rate tax at the level of the holders and includes distributions as well as retained earnings of the fund deemed to be distributed to the holder ("*ausschüttungsgleiche Erträge*").

Pursuant to the Investment Fund Guidelines 2008 published by the Austrian Federal Ministry of Finance a requalification of index and other reference linked notes into fund units requires, inter alia, (i) that an investment is effected in line with the principle of risk diversification and (ii) that the Issuer (or a trustee mandated by the Issuer) factually and predominantly acquires the (underlying) securities or that the investment qualifies as actively managed portfolio.

Please note that it may be derived from a recent ruling of the European Court of Justice regarding the flat-rate taxation of foreign investment funds in Germany that such flat-rate taxation violates EU law.

Final note on withholding tax imposed in Austria

Assuming that the Issuer has neither its seat nor its place of management in Austria and does not use a branch or permanent establishment in Austria for the issuance of the Securities and the payment of interest under the Securities, the Issuer does not assume any responsibility for Austrian withholding tax (Kapitalertragsteuer) charged in Austria at source.

EU Savings Directive and EU Directive on Administrative Cooperation in the Field of Taxation

EU Directive 2003/48/EG (saving interest directive) was replaced by the automatic exchange of information, which is applicable in Austria since January 1, 2017. Therefore, no EU withholding tax on interest payments to individuals resident in another EU member state is triggered anymore since January 1, 2017 (notice transitional provisions).

Tax treaties Austria/Switzerland and Austria/Liechtenstein

Until their (full or partial) repeal by corresponding amending protocols (see next paragraphs) the Treaty between the Republic of Austria and the Swiss Confederation on Cooperation in the Areas of Taxation and Capital Markets and the Treaty between the Republic of Austria and the Principality of Liechtenstein on Cooperation in the Area of Taxation provided generally that a Swiss, respectively Liechtenstein, paying agent had to withhold a tax corresponding to Austrian income tax on, inter alia, interest income, dividends and capital gains from assets booked with an account or deposit of such Swiss, respectively Liechtenstein, paying agent if the relevant holder of such assets (i.e. in general

individuals on their own behalf and as beneficial owners of assets held by a domiciliary company (*Sitzgesellschaft*) is tax resident in Austria. The same applied to such income from assets managed by a Liechtenstein paying agent if the relevant holder of the assets (i.e. in general individuals as beneficial owners of a transparent structure) was tax resident in Austria. For Austrian income tax purposes this withholding tax had the effect of final taxation regarding the underlying income if the Austrian Income Tax Act provided for the effect of final taxation for such income. The treaties, however, did not apply to interest covered by the agreements between the European Community and the Swiss Confederation, respectively the Principality of Liechtenstein, regarding former Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (meanwhile amended, see next paragraphs). The taxpayer could opt for voluntary disclosure instead of the withholding tax by expressly authorising the Swiss, respectively Liechtenstein, paying agent to disclose to the competent Austrian authority the income, which subsequently has to be included in the income tax return (this procedure is still in place in relation to Liechtenstein, as far as the Treaty is still applicable, see below).

On 27 May 2015, Switzerland signed an agreement with the European Union (EU) to meet the Organisation for Economic Co-operation and Development's (OECD) global standard for the automatic exchange of financial account information. The agreement came into force on 1 January 2017 and the first exchange of financial account data between Switzerland and the EU member states should occur in 2018. As a consequence, Austria and the Swiss Confederation concluded also an amending protocol, according to which the above mentioned bilateral Treaty between Austria and the Swiss Confederation on Cooperation in the Areas of Taxation and Capital Markets was repealed per January 2017, which means that there is no withholding at source in Switzerland anymore, but rather information exchange and the obligation of Austrian taxpayers to report their Swiss Income in their Austrian tax returns; certain interim provisions apply for not accomplished cases which are still covered by the Treaty. According to the official gazette the amending protocol repealing the Treaty entered into force on 29 January 2017; Art 8 Par 2 of the amending protocol states however that the agreement between Switzerland and the EU on the mutual information exchange shall none-the-less apply already per 1 January 2017.

On 1 January 2016 also Liechtenstein signed an agreement with the European Union (EU) to comply with the global standard for the automatic information exchange of financial account information. Additionally, the Principality of Liechtenstein and Austria signed an amending protocol on 17 October 2016, according to which the bilateral Treaty between Austria and Liechtenstein shall be abolished and replaced by the automatic information exchange as of 1 January 2017, as far as bank accounts and deposits of individuals are concerned. The Treaty shall however remain in force for bank accounts and deposits of certain property structures as defined in Art 2 (1) (m) of the bilateral Treaty between Austria and the Principality of Liechtenstein (trusts, foundations, similar structures). For the scope of the ongoing application of the withholding tax regime under the bilateral Treaty between Austria and the Principality of Liechtenstein it has to be distinguished between intransparent structures and transparent structures (for the latter the Treaty will only continue to apply as far as they were established before 31 Dec 2016).

Austrian inheritance and gift tax

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of management in Austria. Certain exemptions apply in cases of transfers *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at the flat rates mentioned above. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate generally is 2.5%, with a higher rate of 25% applying in special cases. Special provisions

apply to transfers of assets to entities falling within the scope of the tax treaty between Austria and Liechtenstein.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of management in Austria. Not all gifts are covered by it: in the case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the fair market value of the assets transferred.

Further, gratuitous transfers of the Securities may trigger income tax at the level of the transferor pursuant to sec. 27(6)(2) of the Austrian Income Tax Act (see above).

LUXEMBOURG

This section provides a general description of withholding tax procedures in Luxembourg in connection with the securities. This description is not to be regarded as a comprehensive analysis of all tax considerations in connection with the securities in Luxembourg or elsewhere. Prospective buyers of the securities should consult their own tax advisors with regard to the countries whose tax laws may be relevant to buying, holding and selling the securities and receiving interest, capital and/or other amounts in connection with them and on the impact of these actions under Luxembourg tax law. This summary is based on the laws in effect at the date of publication of this prospectus. The information in this section is limited to issues pertaining to withholding tax; prospective investors should not apply the information provided below to other areas, for example questions of the legality of transactions in securities.

Withholding Tax and Self-Assessment

Under current Luxembourg laws, all interest and capital payments made by the issuer in connection with holding, selling, the redemption or repurchase of the securities can be made without deducting or withholding any amounts for or on account of taxes of any kind imposed, charged, retained or assessed by Luxembourg or a Luxembourg municipality, or a tax authority of Luxembourg or the municipality, with the possible exception of payments to (or, under certain circumstances, in the interests of) individual holders of securities domiciled in Luxembourg.

Under the Luxembourg law of 23 December 2005 as amended from time to time (the "**Law of 23 December 2005**"), a withholding tax of 20 % was introduced for interest income (i.e. interest income within the meaning of the Law of 23 December 2005).

Under the Law of 23 December 2005, a Luxembourg withholding tax of 20 % is collected on interest and similar income paid out by Luxembourg paying agents to natural persons resident in Luxembourg who are the economic beneficiaries of the payments. The same applies to interest and similar income collected by them in the direct interests of such persons. The party owing the withholding tax is the Luxembourg paying agent.

Moreover, under the Law of 23 December 2005, natural persons resident in Luxembourg may opt for self-assessment for their private asset management and pay a 20 % levy if they are the economic beneficiaries of interest payments paid by a paying agent located in another member state of the European Economic Area. The decision to pay the 20 % levy must apply to all interest payments made by paying agents to the economic beneficiary resident in Luxembourg during the entire calendar year.

The above-mentioned 20 % withholding tax and the 20 % levy applies as fully paid if the natural persons resident in Luxembourg are engaged in the management of their personal assets.

Income Taxation on Principal, Interest, Gains on Sales or Redemption

Luxembourg tax residency of the holders of Securities

Holders of Securities will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Securities.

Taxation of Luxembourg non-residents

Holders of Securities who are non-residents of Luxembourg and who do not have a permanent establishment, a permanent representative or a fixed base of business in Luxembourg with which the holding of the Securities is connected, will not be subject to taxes (income taxes and net wealth tax) or duties in Luxembourg with respect to payments of principal or interest (including accrued but unpaid interest), payments received upon redemption, repurchase or exchange of the Securities or capital gains realised upon disposal or repayment of the Securities.

Taxation of Luxembourg residents

Holders of Securities who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Interest received by an individual resident in Luxembourg is, in principle, reportable and taxable at the progressive rate unless the interest has been subject to withholding tax (see above "**Withholding Tax**") or to the self-applied tax, if applicable. Indeed, in accordance with the Luxembourg law of 23 December 2005, as amended, Luxembourg resident individuals, acting in the framework of their private wealth, can opt to self-declare and pay a 20% tax on interest payments made by paying agents located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State.

The withholding tax or self-applied tax are the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the framework of their private wealth. Individual Luxembourg resident holders of Securities receiving the interest as business income must include this interest in their taxable basis. If applicable, the 20% Luxembourg withholding tax levied will be credited against their final income tax liability.

Luxembourg resident individual holders of Securities are not subject to taxation on capital gains upon the disposal of the Securities, unless the disposal of the Securities precedes the acquisition of the Securities or the Securities are disposed of within six months of the date of acquisition of these Securities. Upon the sale, redemption or exchange of the Securities, accrued but unpaid interest will be subject to the 20% withholding tax or the self-applied tax, if applicable. Individual Luxembourg resident Holders of Securities receiving the interest as business income must include the portion of the price corresponding to this interest in their taxable income. The 20% Luxembourg withholding tax levied will be credited against their final income tax liability.

Luxembourg resident corporate holders of Securities, or non-resident holders of Securities which have a permanent establishment, a permanent representative or a fixed base of business in Luxembourg with which the holding of the Securities is connected, must for income tax purposes include in their taxable income any interest (including accrued but unpaid interest) as well as the difference between the sale or redemption price and the lower of the cost or book value of the Securities sold or redeemed.

Luxembourg resident corporate holders of Securities which are benefitting from a special tax regime (such as family wealth management companies subject to the law of 11 May 2007, undertakings for collective investment subject to the law of 17 December 2010, specialised investment funds subject to the law of 13 February 2007, or reserved alternative investment funds subject to the law of 23 July 2016, where the specialised investment funds regime has been opted for) are tax exempt entities in

Luxembourg, and are thus not subject to any Luxembourg tax (i.e., corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid up) share capital (and share premium) or net asset value.

Net Wealth tax

Luxembourg net wealth tax will be levied on the Securities held by a corporate holder, unless (a) such holder is a Luxembourg resident governed by (i) the laws of 17 December 2010 and 13 February 2007 on undertakings for collective investment; (ii) the law of 22 March 2004 on securitisation; (iii) the law of 15 June 2004 on the investment company in risk capital; (iv) the law of 11 May 2007 on family estate management companies; or (v) the law of 23 July 2016 on reserved alternative investment funds, or (b) the Securities are attributable to an enterprise or part thereof which is carried on in Luxembourg through a permanent establishment or a permanent representative.

Other taxes

No stamp, registration, transfer or similar taxes or duties will be payable in Luxembourg by holders of Securities in connection with the issue of the Securities, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption of the Securities, unless (i) the documents relating to the Securities are voluntarily registered in Luxembourg, or (ii) are appended to a document that requires mandatory registration.

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Securities or in respect of the payment of interest or principal under the Securities or the transfer of the Securities. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

Holders of Securities not permanently resident in Luxembourg at the time of death will not be subject to inheritance or other similar taxes in Luxembourg in respect of the Securities. No Luxembourg gift tax is levied upon a gift or donation of the Securities, if the gift is not passed before a Luxembourg notary or recorded in a deed registered in Luxembourg.

FRANCE

The following is a general overview of certain specific French tax considerations relating to the Securities based on the laws and regulations in full force and effect in France (and on their interpretation by the French tax authorities) as at the date of this Base Prospectus, which may be subject to changes in the future, potentially with retroactive effect. Investors should be aware that the comments below are of a general nature and do not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisors so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or sale of the Securities.

Withholding taxes

The following is an overview addressing only the French withholding tax treatment of income arising from the Securities. This overview is prepared on the assumption that none of the Issuers is and will be a French resident for French tax purposes and the Securities (or any transactions in connection with the Securities) are not and will not be (whether actually or constructively) attributed or attributable to a French branch, permanent establishment or other fixed place of business in France of an Issuer.

All payments paid or accrued by any of the Issuers in respect of the Securities, to the extent the Issuers are not incorporated in France or otherwise acting through a French permanent establishment, are not, in principle, subject to withholding tax in France.

However, according to articles 125 A and 125 D of the French tax code (the “FTC”), subject to certain exceptions, if the Securities are treated (based on their individual terms and conditions) as debt instruments for tax purposes, interest and other similar revenues paid in respect of such Securities to French individual investors who are fiscally domiciled (*domiciliés fiscalement*) in France and paid by paying agents (*établissements payeurs*) established in France are subject, subject to certain exceptions, to a non-definitive 24% withholding tax (*prélèvement à la source obligatoire non libératoire de l’impôt sur le revenu*), which is deductible from their personal income tax liability in respect of the year in which the payment has been made. In these situations, social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at the aggregate rate of 15.5% on interest and other similar revenues paid by paying agents established in France.

If the paying agent is not located in France, and subject to certain exceptions, the filing and payment of the 24% levy and social contributions is to be made by the individual investor itself. However, if the paying agent is located in the European Union or in a State which is a member of the European Economic Area and which has entered into a convention providing for administrative assistance with a view to combating tax fraud and avoidance, the filing and payment of the levy and social contributions may, upon request by the French individual investor, be performed by such paying agent.

Supply of information

Article 242 *ter* of the FTC and articles 49 I *ter* to 49 I *sexies* of Schedule III to the FTC impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners resident in another Member State, including, the identity and address of the beneficial owner and a detailed list of different categories of interest paid to the beneficial owner.

French financial transactions tax

The following may be relevant in connection with Securities which may be settled, redeemed, or repaid by way of physical delivery of certain listed shares (or certain assimilated securities).

Pursuant to article 235 *ter* ZD of the FTC, a financial transaction tax is applicable to any acquisition for consideration, resulting in a transfer of ownership, of an equity security (*titre de capital*) as defined by article L.212-1 A of the French *Code monétaire et financier*, or of an assimilated equity security, as defined by article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange when the said security is issued by a French company whose registered office is situated in France and whose market capitalization exceeds 1 billion euros on 1 December of the year preceding the year of taxation. There are a number of exemptions from this financial transaction tax. The rate of the tax is 0.3% of the acquisition value of the securities since 1 January 2017 (the rate of this tax was previously of 0.2%). Prospective investors should revert to their usual tax advisor to identify whether the financial transaction tax may apply in connection with their investment in the Securities and whether they may benefit from one of the exemptions from the tax.

If such tax applies to an acquisition of shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1% to the acquisition of shares issued by a company whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced in a written deed or agreement.

Other tax considerations

Concerning prospective purchasers of Securities who are French resident for tax purposes or who will hold their Securities through a permanent establishment or a fixed base in France, please note that transactions involving the Securities, including any purchase or disposal of, or other dealings in the Securities and any transaction involved in the exercise and settlement of the Securities, will have French tax consequences.

The tax consequences regarding in particular interest, premium on redemption, any other proceeds from the Securities and capital gains, as the case may be, will depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals) and on specific terms and conditions of the relevant Securities.

Prospective purchasers of Securities in such situation are advised to contact their usual tax advisor to determine the tax consequences applicable to their specific situation.

ITALY

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in security or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities. The Issuer will not update this overview to reflect changes in laws and if such a change occurs the information in this overview could become invalid.

As clarified by the Italian tax authorities in resolution No. 72/E of 12 July 2010, the Italian tax consequences of the purchase, ownership and disposal of the Securities may be different depending on whether:

(a) they represent a securitised debt claim, implying a static "use of capital" (impiego di capitale), through which the subscriber of the Securities transfers to the Issuer a certain amount of capital for the purpose of obtaining a remuneration on the same capital and subject to the right to obtain its (partial or entire) reimbursement at maturity; or

(b) they represent a securitised derivative financial instrument or bundle of derivative financial instruments not entailing a "use of capital", through which the subscriber of the Securities invests indirectly in underlying financial instruments for the purpose of obtaining a profit deriving from the negotiation of such underlying financial instruments.

Tax treatment of Securities issued by a non-Italian resident issuer

Legislative Decree No. 239 of 1 April 1996, as subsequently amended (**Decree 239**), provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from Securities falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, inter alia, by non-Italian resident issuers and which embed the unconditional obligation of the issuer to fully repay the principal invested upon redemption (the **Notes**).

Italian resident Noteholders

Pursuant to Decree 239, where an Italian resident Noteholder is (a) an individual not engaged in an entrepreneurial activity to which the relevant Notes are connected; (b) a non-commercial partnership; (c) a non-commercial private or public institution; or (d) an investor exempt from Italian corporate income taxation (unless the Noteholder under (a), (b), or (c) above has opted for the application of the "risparmio gestito" regime — see under "Capital gains tax" below), interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a substitute tax,

referred to as *imposta sostitutiva*, levied at the rate of 26%. In the event that Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the income tax due.

Where an Italian resident Noteholder is an Italian company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes are deposited with an authorised intermediary, interest (including the difference between the redemption amount and the issue price), premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to Italian corporate taxation (**IRES**), generally applying at the current ordinary rate of 24% and, in certain circumstances, depending on the "status" of the Holder, also to the regional tax on productive activities (**IRAP**), generally applying at the rate of 3.9%. The *imposta sostitutiva* may not be recovered by the Noteholder as a deduction from the income tax due.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 (**Decree 351**) and Article 9 of Legislative Decree No. 44 of 4 March 2014, payments of interest, premiums or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and article 14-bis of Law No. 86 of 25 January 1994 or to Italian real estate SICAFs (the **Real Estate SICAFs**) are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund or the Real Estate SICAF, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund, a SICAF (an investment company with fixed capital) or a SICAV (an investment company with variable capital) established in Italy and either (i) the fund the SICAF or the SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the **Fund**), and the relevant Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax of 26% will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the **Collective Investment Fund Tax**).

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, interest (including the difference between the redemption amount and the issue price), premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20% substitute tax.

Pursuant to Decree 239, the *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a Decree of the Ministry of Economy and Finance (each an **Intermediary**).

An Intermediary must (i) be resident in Italy, be a permanent establishment in Italy of a non-Italian resident financial intermediary or be an organisation or company non-resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree 239, and (ii) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Noteholder.

Non-Italian resident Noteholders

For Notes issued by a non-Italian resident issuer, no Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Noteholder of interest or premium relating to the Notes provided that, if the Notes are held in Italy, the non-Italian resident Noteholder declares itself to be a non-Italian resident according to Italian tax regulations.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) may be subject to a withholding tax, levied at the rate of 26%. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value.

If the Notes are issued by a non-Italian resident issuer and placed in Italy, the withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (a) a company or similar commercial entity (including the Italian permanent establishment of foreign entities); (b) a commercial partnership; or (c) a commercial private or public institution, but they will form part of their aggregate income subject to IRES according to ordinary rules. In certain cases, such amounts may also be included in the taxable base for IRAP purposes.

Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the “status” of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an (i) an individual holding the Notes not in connection with an entrepreneurial activity, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 26%. Noteholders may set off losses with gains.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Noteholders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the investor pursuant to all sales or redemptions of the Notes carried out during any given tax year. The Noteholder must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. Pursuant to Law Decree No. 66 of 24 April 2014, as converted into law with amendments by Law No. 89 of 23 June 2014 (**Decree 66**, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08% of the relevant capital losses realised before 1 January 2012; (ii) 76.92% of the capital losses realised from 1 January 2012 to 30 June 2014.

As an alternative to the tax declaration regime, Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the relevant Notes (the *risparmio amministrato* regime). Such separate taxation of capital gains is allowed subject to (a) Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (including permanent establishments in Italy of foreign intermediaries); and (b) an express election for the *risparmio amministrato* regime being punctually made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in its annual tax return. Pursuant to Decree 66, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08% of the relevant capital losses realised before 1 January 2012; (ii) 76.92% of the capital losses realised from 1 January 2012 to 30 June 2014.

Any capital gains realised by Italian resident Noteholders under (i) to (iii) above who have entrusted the management of their financial assets, including Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26% substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in its annual tax return. Pursuant to Decree 66, decreases in value of the management assets may be carried forward to be offset against any subsequent increase in value accrued as of 1 July 2014 for an overall amount of: (i) 48.08% of the relevant decreases in value registered before 1 January 2012; (ii) 76.92% of the decreases in value registered from 1 January 2012 to 30 June 2014.

Any capital gains realised by a Noteholder who is an Italian real estate fund to which the provisions of Decree 351, as subsequently amended, apply or a Real Estate SICAF will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund or the Real Estate SICAF.

Any capital gains realised by a Noteholder which is a Fund will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio. Such result will not be taxed with the Fund, but subsequent distributions in favour of unitholders of shareholders may be subject to the Collective Investment Fund Tax.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20% substitute tax.

Capital gains realised by non-Italian resident holder of Notes from the sale or redemption of the Notes are not subject to Italian taxation, provided that the Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

Tax treatment of derivative financial instruments issued by a non-Italian resident issuer

Based on the principles stated by the Italian tax authorities in resolution No. 72/E of 12 July 2010, payments in respect of Notes qualifying as securitised derivative financial instruments not entailing a "use of capital" as well as capital gains realised through the sale of the same Notes would be subject to

Italian taxation according to the same rules described above applicable on capital gains realised through the sale or transfer of the Notes.

Payments in respect of notes qualifying as securitised derivative financial instruments received by investors resident in Italy for tax purposes (not engaged in entrepreneurial activities to which the Notes are connected) as well as capital gains realised by such Italian investors on any sale or transfer for consideration of the Notes qualifying as securitised derivative financial instruments or redemption thereof are subject to a 26% capital gain tax, which applies under the tax declaration regime, the *risparmio amministrato* tax regime or the *risparmio gestito* tax regime according to the same rules described above under the section "Capital gains tax" above.

Payments in respect of Notes qualifying as securitised derivative financial instruments received by investors resident in Italy for tax purposes which carry out commercial activities are not subject to the 26% capital gain tax, but the proceeds are included in their taxable income and subject to taxation in accordance with the ordinary rules.

Any capital gains realised by a holder of Notes qualifying as securitised derivative financial instruments who is a Fund will be included in the result of the relevant portfolio accrued at the end of the tax period. The Fund will not be subject to taxation on such result, but distributions made in favour of unitholders or shareholders may be subject to the Collective Investment Fund Tax.

Under the current regime provided by Decree 351 and Article 9 of Legislative Decree No. 44 of 4 March 2014, payments of proceeds in respect of the Notes qualifying as securitised derivative financial instruments made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 or Real Estate SICAFs are, if some conditions are met, subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund or the Real Estate SICAF.

Any capital gains realised by a holder of Notes qualifying as securitised derivative financial instruments who is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20% substitute tax.

Capital gains realised by non-Italian resident holders from the sale or redemption of Notes qualifying as securitised derivative financial instruments are not subject to Italian taxation, provided that the Notes are held outside Italy or traded on a regulated market.

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended by Law No. 97 of 6 August 2013, individuals, non-profit entities and certain partnerships resident in Italy which, in the course of the fiscal year, have held investments abroad or financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided for, inter alia, foreign investments or financial activities in case (a) such investments/activities are held in portfolio regimes with Italian resident intermediaries and (b) incomes deriving from such investments/activities are subject in Italy to a withholding/substitutive tax.

THE PROPOSED FINANCIAL TRANSACTIONS TAX

On 14 February 2014 the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT has not been implemented yet. As to the further implementation of any FTT there is currently no detailed plan or timetable available. The FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate. Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

U.S. WITHHOLDING TAX

Payments under index-linked Securities and equity-linked Securities may be subject to U.S. withholding tax

Section 871(m) of the US Internal Revenue Code ("IRC") and the provisions issued thereunder stipulate that for certain financial instruments (such as for the Securities) a withholding tax (of up to 30% depending on the application of income tax treaties) shall be imposed if the payment (or deemed payment) on the financial instruments is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States.

Pursuant to these US legal provisions, certain payments (or deemed payments) under certain equity-linked instruments that refer to the performance of US equities or certain indices that contain US equities, as an Underlying, shall be treated as dividend equivalents ("**Dividend Equivalents**") and shall be subject to U.S. withholding tax of 30% (or a lower income tax treaties rate). **This tax liability shall apply even if pursuant to the terms and conditions of the Securities no actual dividend-related amount is paid or a dividend-related adjustment is made and thus investors can only determine with difficulty or not at all any connection to the payments to be made in respect of the Securities.**

It is thus possible that these US provisions also apply to the Securities, particularly if an Underlying contains dividends from sources within the United States (e.g. US equities or certain indices that contain US equities). In such case US withholding tax may be due, pursuant to the relevant US provisions, on payments (or deemed payments) made in respect of Securities issued (or whose features have been modified significantly) after 1 January 2017 (however, the implementation rules issued for the US provisions stipulate that the tax liability will be phased in, not commencing until 1 January 2018 for some securities).

The Issuer or the custodian of the Security Holder is entitled to deduct from payments made under the Securities any withholding tax accrued in relation to payments made under the Securities. Furthermore, the Issuer is entitled to take any tax liability pursuant to section 871(m) of the IRC into account in original and continuous pricing of the Securities and to comply with the withholding obligation using provisions that have to be made accordingly. Investors should note that compliance with tax liability in this manner precludes the issue of tax certificates for tax payments rendered for individual investors and that no potential tax refund pursuant to the relevant US provisions may be claimed either. Moreover, a 30% tax rate is generally applied, also when taking account of the tax liability in continuously adjusting amounts, due to the necessity of using a uniform rate for all investors in all cases mentioned. A double taxation may occur in relation to payments made under the Securities.

If, on the basis of section 871(m) of the IRC, an amount of interest, principal or other payments on the Securities is deducted or withheld, neither the Issuer nor any paying agent, the custodian of the

Security Holder or any other person pursuant to the terms and conditions of the Securities would be obliged to pay additional amounts to the Security Holders as a result of the deduction or withholding, in which case the Security Holders would thus potentially receive less interest or principal than expected. In the worst case, any payments to be made in respect of the Securities would be reduced to zero.

Payments under the Securities may be subject to withholding tax pursuant to the Foreign Account Tax Compliance Act (FATCA)

Sections 1471-1474 of the United States Internal Revenue Code of 1986, as amended ("**IRC**") (commonly referred to as "**FATCA**"), generally impose a new reporting regime and a 30% withholding tax with respect to certain US-source payments (including dividends and interest) and with respect to gross proceeds from the disposition of property that may produce such US-source interest and dividends, and certain payments made by entities that are classified as financial institutions under FATCA, such as banks, insurance companies and many funds and capital markets issuers. A financial institution which is not exempted from the FATCA regime must either (i) enter into an agreement with the Internal Revenue Service (an "**FFI Agreement**") or (ii) comply with the terms of an applicable intergovernmental agreement ("**IGA**") regarding the implementation of FATCA to avoid the imposition of the 30% withholding tax. Under an FFI Agreement or an applicable IGA, a financial institution will be required to identify, disclose and report information on its direct and indirect US accountholders (including certain non-US accountholders with US ownership).

On 31 May 2013, the Federal Republic of Germany entered into an IGA with the United States. Under this IGA, as currently drafted, a financial institution that is treated as resident in Germany and that complies with the requirements of the respective IGA will not be subject to FATCA withholding on payments it receives and will not be required to withhold on payments of non-U.S. source income. As a result, the Issuer does not expect payments made on or with respect to the Securities to be subject to withholding under FATCA.

No assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Securities in the future. You should consult with your US tax advisor for further information regarding the potential impact of FATCA.

GENERAL INFORMATION

SELLING RESTRICTIONS

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". 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.

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 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*.

- (c) Securities, other than (i) Securities with a maturity of one year or less (including unilateral rollovers or extensions) and (ii) Securities that are issued in registered form in accordance with the provisions of U.S. Treasury Regulation Section 5f.103-1 and the U.S. Internal Revenue Service ("**IRS**") Notice 2012-20, will be issued in accordance with the so-called "excise tax exemption" pursuant to the provisions of U.S. Internal Revenue Code of 1986, as amended, (the "**Code**") Section 4701(b)(1)(B) and U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D) ("**TEFRA D Rules**") or U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(C) ("**TEFRA C Rules**"), as specified in the applicable Final Terms.

Excise Tax

Code Section 4701 imposes an excise tax on an issuer who issues "registration-required obligations" which are not in registered form. The excise tax is equal to 1% of the principal amount of the obligation multiplied by the number of calendar years until the obligation reaches maturity. In accordance with IRS Notice 2012-20, certain securities are deemed to be in registered form (as discussed in more detail below). Furthermore, the IRS announced in Notice 2012-20 that it intends to provide guidance, which the IRS stated will be "identical" to the TEFRA C and TEFRA D rules, to clarify how certain securities that are not in registered form can qualify for the excise tax exemption.

Notice 2012-20 Requirements

In Notice 2012-20, the IRS stated that it intends to issue future guidance providing that an obligation that is nominally issued in "bearer" form will be considered to be in registered form

for U.S. federal income tax purposes if it is issued through a "dematerialized" book entry system or a clearing system in which the obligation is "effectively immobilized". An obligation is effectively immobilized if the only holder of physical global form (i.e., bearer) certificates is a clearing organisation, the physical certificates can only be transferred to a successor clearing organisation subject to the same terms, and the beneficial interests in the underlying obligation are only transferrable on a book entry system maintained by the clearing organisation. The obligation may be considered to be in registered form even if a physical certificate is available in bearer form in certain circumstances. Those circumstances are limited to termination of the clearing organisation's business, default by the issuer, or issuance of definitive securities at the issuer's request upon a change in tax law that would be adverse to the issuer unless securities are issued in physical bearer form.

In connection with Securities issued in accordance with the requirements of Notice 2012-20, the Issuer represents and agrees that it will comply with the requirements of Notice 2012-20, and it will require all those persons participating in the distribution of the Securities to represent and agree to comply with such requirements.

TEFRA D Rules

In addition, in respect of Securities issued in accordance with the TEFRA D Rules, the Issuer represents and agrees that it will require all those persons participating in the distribution of the Securities to represent and agree that:

- (i) except to the extent permitted under the TEFRA D Rules, (x) it has not offered or sold, and during the restricted period will not offer or sell, Securities in bearer form to a person who is within the United States or its possessions or to a United States person, and (y) it has not delivered and will not deliver within the United States or its possessions definitive Securities that are sold during the restricted period;
- (ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Securities in bearer form are aware that such Securities may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (iii) if such person is a United States person, it has represented that it is acquiring the Securities for purposes of resale in connection with their original issuance and if such Distributor retains Securities in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6);
- (iv) with respect to each affiliate that acquires from such person Securities in bearer form for the purposes of offering or selling such Securities during the restricted period, such person either (x) repeats and confirms the representations and agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii) and (iii); and
- (v) such person will obtain for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii), (iii), and (iv) from any person other than its affiliate with whom it enters into a written contract, as defined U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(4), for the offer and sale of Securities during the restricted period.

Terms used in the above paragraph have the meanings given to them by the Code, U.S. treasury regulations promulgated thereunder and IRS *Notice 2012-20*.

TEFRA C Rules

In addition, in respect of Securities issued in accordance with the TEFRA C Rules, Securities must be issued and delivered outside the United States and its possessions in connection with their original issuance. The Issuer will not, and it will require all those persons participating in the distribution of the Securities to not, offer, sell or deliver, directly or indirectly, Securities in bearer form within the United States or its possessions in connection with their original issuance. Further, the Issuer will not, and it will require all those persons participating in the distribution of the Securities to not, communicate, directly or indirectly, with a prospective purchaser if such person or purchaser is within the United States or its possessions and will not otherwise involve its United States office in the offer or sale of Securities. Terms used in this paragraph have the meanings given to them by the Code and U.S. treasury regulations promulgated thereunder.

Securities which are not issued in registered form (e.g., bearer securities) pursuant to the TEFRA D Rules (other than temporary global securities and securities with a maturity, taking into account any unilateral rights to roll over or extend, of one year or less) and any receipts or coupons appertaining thereto will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area, which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each person or entity placing or offering the Securities will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that, with effect from and including the Relevant Implementation Date, an offer of Securities to the public may be made in that Relevant Member State:

- (a) if the Final Terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that relevant Member State (a "**Non-Exempt Offer**"), following the date of publication of a base prospectus in relation to such Securities, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such base prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such base prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of the Non-Exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant person or entity placing or offering the Securities nominated by the relevant Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that (i) no such offer of Securities referred to in (b) to (d) above shall require the Issuer to publish a base prospectus pursuant to Article 3 of the Prospectus Directive or supplement a base prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Securities to the public” in relation to any Securities in any Relevant 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, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **"Prospectus Directive"** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

AUTHORISATION

The establishment of the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the issue of Securities under the Programme were duly authorised by the Group Asset/Liability Committee (ALCO), a subcommittee of the Management Board of HVB, on 17 April 2001. The full EUR 50,000,000,000 authorisation amount of this Programme may also be applied by other base prospectuses of HVB, however, the aggregate utilised amount of this Programme together with any other base prospectuses of HVB under this Programme will not exceed EUR 50,000,000,000.

The establishment of the Programme of UniCredit International Luxembourg and the issue of Securities under that Programme were duly authorised by the resolutions of the Board of Directors of UniCredit International Luxembourg dated 24 July 2014. The update of the Programme and, in the case of the Guarantor, the giving of the Guarantee, have been duly authorised by the resolutions of the Board of Directors of UniCredit International Luxembourg dated 3 May 2016 and the Board of Directors of UniCredit as Guarantor dated 9 February 2016.

AVAILABILITY OF DOCUMENTS

Copies of the articles of association of each of the Issuers and the Guarantor, the consolidated annual reports in respect of the fiscal years ended 31 December 2015 and 2016 of HVB Group, the unconsolidated annual financial statements of HVB Group in respect of the fiscal year ended 31 December 2015 prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*), the audited consolidated financial statements of UniCredit International Luxembourg as at and for the financial years ended 31 December 2015 and 31 December 2016, the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2015 and 31 December 2016, the latest unaudited consolidated interim accounts of the Issuers and the Guarantor, the forms of the Global Notes, the Final Terms and the Agency Agreement, as amended and restated, will be available during usual business hours on any weekday (except Saturdays and public holidays) at the offices of each of the Issuers, the Guarantor and of BNP Paribas Securities Services, Luxembourg Branch in its capacity as listing agent for the Securities.

For the validity of this Base Prospectus, all documents from which information has been incorporated by reference in this Base Prospectus will be available for collection in the English language, free of charge, at the offices of UniCredit Bank AG (Arabellastraße 12, 81925 Munich, Germany) and at the offices of UniCredit International Bank (Luxembourg) S.A. (8-10 rue Jean Monnet, L-2180 Luxembourg). The documents incorporated by reference with regard to the Guarantor will be available for inspection in the English language, free of charge, at the offices of the UniCredit S.p.A. (Via A. Specchi 16, 00186, Rome, Italy).

In addition, copies of this Base Prospectus, each Final Terms relating to Securities which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference with regard to HVB, UniCredit International Luxembourg and UniCredit are available on the Luxembourg Stock Exchange's website (www.bourse.lu).

CLEARING SYSTEM

Securities may be cleared through Euroclear Bank SA/NV as operator of the Euroclear system (1 Boulevard du Roi Albert IIB, 1210 Brussels, Belgium) ("**Euroclear Bank**"), Clearstream Banking S.A., Luxembourg (42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg) ("**Clearstream Banking SA**" or "**CBL**"), Clearstream Banking AG, Frankfurt am Main (Mergenthalerallee 61, 65760 Eschborn, Germany) ("**Clearstream Banking AG**" or "**CBF**"), Euroclear France S.A. (66 Rue de la Victoire, 75009 Paris, France) ("**Euroclear France**") and/or any alternative clearing system as specified in the Final Terms. The appropriate security identification codes for each Series of Securities will be contained in the Final Terms. The relevant Issuer may decide to deposit, or otherwise arrange for the clearance of, Securities issued under the Programme with or through an alternative clearing system. The relevant details of such alternative clearing system will be specified in the Final Terms.

AGENTS

Principal Paying Agents under the Programme are UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany and (for Securities deposited with Clearstream Banking SA and Euroclear Bank) Citibank, N.A., London Office, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

French Paying Agent for Euroclear France S.A. is CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France.

Calculation Agent under the Programme is UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany.

The relevant Luxembourg Listing Agent under the Programme is BNP Paribas Securities Services, Luxembourg Branch, 33, Rue de Gasperich, L-5826 Hesperange, Luxembourg.

The relevant Issuer may decide to appoint another Principal Paying Agent and/or Calculation Agent for the Securities issued under the Base Prospectus. The relevant details of such alternative Principal Paying Agent and/or Calculation Agent will be specified in the Final Terms.

SIGNIFICANT CHANGES IN THE FINANCIAL POSITION OF THE ISSUERS AND, IF SECURITIES ARE GUARANTEED SECURITIES, THE GUARANTOR AND TREND INFORMATION

The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2016 as well as other remaining imponderables. In this environment HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived from this on a regular basis.

The performance of UniCredit International Luxembourg and the Guarantor will depend on the future development on the financial markets and the real economy in 2016 as well as other remaining imponderables. In this environment, UniCredit International Luxembourg and the Guarantor will continuously adapt their business strategy to reflect changes in market conditions and carefully review the management signals derived from this on a regular basis.

There has been (i) no significant change in the financial position of the HVB Group which has occurred since 31 December 2016, and (ii) no material adverse change in the prospects of the HVB Group since 31 December 2016, the date of the last published audited financial statements.

There has been (i) no significant change in the financial or trading position of UniCredit International Luxembourg since 31 December 2016, and (ii) no material adverse change in the prospects of UniCredit International Luxembourg since 31 December 2016, the date of its last published audited financial statements.

There has been (i) no significant change in the financial or trading position of UniCredit and the UniCredit Group since 31 March 2017, and (ii) no material adverse change in the prospects of UniCredit and the UniCredit Group since 31 December 2016, the date of its last published audited financial statements.

CONFIRMATION WITH REGARD TO THE CONFLICT OF INTEREST STATEMENT AND THE STATEMENT REGARDING THE LEGAL AND ARBITRATION PROCEEDINGS

The conflict of interest statement on page 18 of the Registration Document and the statement regarding the legal risks and arbitration proceedings on page 19 to page 22 of the Registration Document incorporated by reference herein are up-to-date as at the date of approval of this Base Prospectus.

The section entitled "Conflicts of Interest" at pages 232 and 239 of the base prospectus dated 15 June 2016 relating to the EMTN Programme and incorporated by reference herein are up-to-date as at the date of approval of this Base Prospectus.

The paragraph "Litigation" at page 280 of the base prospectus dated 15 June 2016 relating to the EMTN Programme and incorporated by reference herein is up-to-date as at the date of approval of this Base Prospectus. Except as disclosed in the base prospectus dated 15 June 2016 relating to the EMTN Programme from page 206 to page 222 and in Section 4 of Part E of the Notes to the Consolidated Accounts contained in its Audited Consolidated Annual Financial Statements as at and for the Financial Year ended 31 December 2016, which are incorporated by reference in this Base Prospectus, neither UniCredit International Luxembourg, UniCredit Bank AG nor the Guarantor are or have been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which UniCredit International Luxembourg, UniCredit Bank AG or the Guarantor is aware) in the twelve months preceding the date of the approval of this Base Prospectus which, according to the information available at present, may have or have had in such period a significant effect on the financial position or profitability of UniCredit International Luxembourg, UniCredit Bank AG or the Guarantor.

INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Any of the Distributors and their affiliates may be customers or borrowers of the Issuers, the Guarantor and their affiliates. In addition, any of such Distributors and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the relevant Issuer, the Guarantor or their affiliates in the ordinary course of business.

HVB may act as arranger with regard to the Securities offered under the relevant Programme of UniCredit International Luxembourg.

THIRD PARTY INFORMATION

Where information has been sourced from a third party, the relevant Issuer confirms that to the best of its knowledge this information has been accurately reproduced and that so far as the relevant 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.

USE OF PROCEEDS AND REASONS FOR THE OFFER

The Issuer is not bound regarding the use of the issue and offer proceeds.

INFORMATION INCORPORATED BY REFERENCE IN THIS BASE PROSPECTUS

The following information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus. Parts of such documents, including documents incorporated by reference into these documents, whose information is not incorporated by express reference in the cross-reference lists below are not relevant for potential investors.

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
Registration Document of UniCredit Bank AG dated 21 April 2017, approved by the German Federal Financial Services Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>)		

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
Risk Factors		
- Risks relating to the business activity of HVB Group	p. 3 to 14	p. 66
UniCredit Bank AG		
- Information about HVB, the parent company of HVB Group	p. 15	p. 105
- Statutory Auditors	p. 14	p. 105
Business Overview		
- Principal Activities	p. 15	p. 105
- Business segments of HVB Group	p. 15	p. 105
- Principal Markets	p. 17	p. 105
Management and Supervisory Bodies	p. 17 to 19	p. 105
Major Shareholders	p. 19	p. 105
Auditors	p. 20	p. 105
Legal Risks/Arbitration Proceedings	p. 20 to 22	p. 105
Audited financial statements of HVB Group for the fiscal year ended 31 December 2016 (Annual Report of HVB Group as at 31 December 2016)		
- Consolidated Income Statement	p. 94 to 95	p. 105
- Consolidated Balance Sheet	p. 96 to 97	p. 105
- Statement of Changes in Consolidated Shareholders' Equity	p. 98 to 99	p. 105
- Consolidated Cash Flow Statement	p. 100 to 101	p. 105
- Notes to the Consolidated Financial Statements	p. 102 to 238	p. 105

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
- Independent Auditors' Report	p. 239	p. 105
Audited financial statements of HVB Group for the fiscal year ended 31 December 2015 (Annual Report of HVB Group as at 31 December 2015)		
- Consolidated Income Statement	p. 114 to 115	p. 105
- Consolidated Balance Sheet	p. 116 to 117	p. 105
- Statement of Changes in Consolidated Shareholders' Equity	p. 118 to 119	p. 105
- Consolidated Cash Flow Statement	p. 120 to 121	p. 105
- Notes to the Consolidated Financial Statements	p. 122 to 252	p. 105
- Auditor's Certificate	p. 253	p. 105
Audited unconsolidated financial statements (Jahresabschluss) of UniCredit Bank AG for the fiscal year ended 31 December 2016 (Annual Report of UniCredit Bank AG as at 31 December 2016)		
- Income Statement	p. 82 to 83	p. 105
- Balance Sheet	p. 84 to 89	p. 105
- Notes	p. 90 to 146	p. 105
- Auditor's Report	p. 147	p. 105
Audited unconsolidated financial statements (Jahresabschluss) of UniCredit Bank AG for the fiscal year ended 31 December 2015 (Annual Report of UniCredit Bank AG as at 31 December 2015)		
- Income Statement	p. 84 to 85	p. 105
- Balance Sheet	p. 86 to 91	p. 105
- Notes	p. 92 to 142	p. 105

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
- Auditor's Report	p. 143	p. 105
Base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities)		
Description of indices which are composed by the Issuer or by any legal entity belonging to the same group		
- Cross Commodity Long/Short Index	p. 379 to 383	p. 365
Base prospectus for the issuance of Fund-linked Securities under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 20 October 2014		
- Description of the Securities – Option 2: Fund Index Securities	p. 84 to 85	p. 157
- Description of the Securities – Option 10: Fund Index Telescope Securities	p. 102 to 103	p. 157
- Conditions of the Securities – Part C Special Conditions of the Securities – Option 2: Fund Index Securities	p. 142 to 153	p. 364
- Conditions of the Securities – Part C Special Conditions of the Securities – Option 10: Fund Index Telescope Securities	p. 264 to 275	p. 364
Base Prospectus for the issuance of Fund-linked Securities under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 25 May 2016		
- Description of the Securities	p. 94 to 101 and p. 106 to p. 123	p. 157
- Conditions of the Securities – Part C Special Conditions of the Securities	p. 144 to 178 and p. 226 to 347	p. 364
Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) under the Euro 50,000,000,000 Debt Issuance Programme of		

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
<p>UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 20 September 2016</p> <ul style="list-style-type: none"> - Description of the Securities - Conditions of the Securities – Part C Special Conditions of the Securities 	<p>p. 88 to 129</p> <p>p. 149 to 216</p>	<p>p. 157</p> <p>p. 364</p>
<p>60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016, approved by the <i>Commission de Surveillance du Secteur Financier</i></p> <p>Risk Factors</p> <ul style="list-style-type: none"> - Risk Factors <p>UniCredit International Luxembourg</p> <p><i>– Description of UniCredit International Luxembourg</i></p> <ul style="list-style-type: none"> - History - Recent Events - Business - Recent Investment - Constitution - Corporate Objects - Material Contracts - Directors - Conflict of Interests - External Auditors 	<p>p. 44 to 67</p> <p>p. 237</p> <p>p. 237</p> <p>p. 237</p> <p>p. 237</p> <p>p. 238</p> <p>p. 238</p> <p>p. 238</p> <p>p. 238 to 239</p> <p>p. 239</p> <p>p. 239</p>	<p>p. 66</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p>

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
UniCredit		
<i>– Description of UniCredit and the UniCredit Group</i>		
- Description of UniCredit and the UniCredit Group	p. 197	p. 105
- History	p. 197	p. 105
- The Current Organisational Structure	p. 198 to 201	p. 105
- Strategy of the Group	p. 202	p. 105
- Business areas	p. 202 to 206	p. 105
- Legal and Arbitration Proceedings	p. 206 to 222	p. 105
- Principal Shareholders	p. 222 to 223	p. 105
- Material Contracts	p. 223	p. 105
- Management	p. 223 to 232	p. 105
- Conflict of Interests	p. 232 to 233	p. 105
- External Auditors	p. 233	p. 105
<i>– General Information</i>		
- Trend Information	p. 280	p. 105
- Litigation	p. 280	p. 105
- External Auditors	p. 280 to 281	p. 105
First Supplement dated 6 July 2016 to the Base Prospectus dated 15 June 2016		
<i>– Documents Incorporated by Reference</i>		
- Press release "UniCredit borrows €26.6b in	p. 2	p. 105

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
<p>ECB TLTRO Auction" dated 24 June 2016</p> <ul style="list-style-type: none"> - Press release "Jean Pierre Mustier new CEO of UniCredit" dated 30 June 2016 - h 15:08 - Press release dated 30 June 2016 - h 18:55 - Press release dated 30 June 2016 - h 18:56 <p>– Risk Factors</p> <ul style="list-style-type: none"> - Risk factor titled "<i>The UniCredit Group's results of operations, business and financial condition have been and will continue to be affected by adverse macroeconomic and market conditions</i>" - Risk factor titled "<i>The Group is exposed to a number of risks relating to the United Kingdom's potential exit from the European Union</i>" 	<p>p. 2 to 3</p> <p>p. 2 to 3</p> <p>p. 2 to 3</p> <p>p. 3 to 4</p> <p>p. 4</p>	<p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 66</p> <p>p. 66</p>
Second Supplement dated 16 August 2016 to the Base Prospectus dated 15 June 2016		
<p>– Documents Incorporated by Reference</p> <ul style="list-style-type: none"> - Press release "UniCredit appointments new Head of Internal Audit and Manager in charge of preparing the Financial Statements (<i>Dirigente Preposto</i>)" dated 3 August 2016 - Press release "2016 EU-wide stress test" dated 29 July 2016 - Press release "UniCredit, Banco Santander and Sherbrooke Acquisition Corp end Pioneer Santander AM merger talks" dated 27 July 2016 - Press release "UniCredit streamlines organisational structure" dated 26 July 2016 - Press release "Successful completion of the accelerated bookbuilding offering launched by UniCredit in Bank Pekao S.A." dated 	<p>p. 3</p> <p>p. 4</p> <p>p. 4</p> <p>p. 4</p> <p>p. 5</p>	<p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p>

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
<p>12 July 2016</p> <ul style="list-style-type: none"> - Press release "Successful completion of the accelerated bookbuilding offering launched by UniCredit in FinecoBank S.p.A" dated 12 July 2016 - Press release "UniCredit: assessment of new Directors' requirements" dated 11 July 2016 <p>– Risk Factors</p> <ul style="list-style-type: none"> - Risk factor titled "<i>Risks connected with failure to implement the Strategic Plan</i> " 	<p>p. 5</p> <p>p. 5f.</p> <p>p. 6</p>	<p>p. 105</p> <p>p. 105</p> <p>p. 66</p>
Third Supplement dated 2 May 2017 to the Base Prospectus dated 15 June 2016		
<p>– Documents Incorporated by Reference</p> <ul style="list-style-type: none"> - Press Release "The Board of Directors of UniCredit approved Full Year 2016 Results" dated 13 March 2017 - Press Release "UniCredit: Board of Directors Resolutions" dated 13 March 2017 - Press Release "UniCredit: the Shareholders' Meeting approves the 2016 Financial Statements" dated 20 April 2017 - Press Release "UniCredit Board of Directors Vice Chairman Fabrizio Palenzona steps down" dated 2 March 2017 - Press Release "UniCredit: Andrea Maffezzoni appointed Head of Strategy and M&A" dated 23 March 2017 - Press Release "UniCredit Board of Directors Vice Chairman Luca Cordero di Montezemolo steps down" dated 20 April 2017 - Press Release "Yapi Kredi sells non performing credit portfolio to Güven Varlık Yönetim A.Ş." dated 2 March 2017 	<p>p. 2</p> <p>p. 3</p> <p>p. 3f.</p> <p>p. 5f.</p> <p>p. 5f.</p> <p>p. 5f.</p> <p>p. 6</p>	<p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p> <p>p. 105</p>

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
- Press Release "UniCredit: rights issue fully subscribed" dated 2 March 2017	p. 6	p. 105
- Press Release "UniCredit: takes €24.4b in ECB TLTRO II Auction" dated 23 March 2017	p. 6f.	p. 105
- Press Release "UniCredit: Fitch aligns UniCredit SpA's ratings with that of the sovereign Italy" dated 28 April 2017	p. 7	p. 105
- Articles of Association	p. 7	p. 105
- <i>Risk Factors</i>	p. 8; 43 to 90	p. 66
- <i>Description of UniCredit and the UniCredit Group</i>	p. 8 to 9; 195 to 202	p. 105
- <i>General Information</i>	p. 12	p. 105
- Significant or Material Adverse Change	p. 12	p. 105
Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2016¹		
- Consolidated statement of financial position	p. 16	p. 105
- Consolidated statement of comprehensive income	p. 17	p. 105
- Consolidated statement of changes in equity	p. 18 to 19	p. 105
- Consolidated statement of cash flows	p. 20 to 21	p. 105
- Notes to the consolidated financial statements	p. 22 to 61	p. 105
- Report of the <i>réviseur d'entreprises agréé</i>	p. 13 to 15	p. 105
Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2015¹		

¹ The page numbers in the cross-reference list for this document refer to the relevant page numbers of the pdf file of the document.

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
- Consolidated statement of financial position	p. 15	p. 105
- Consolidated statement of comprehensive income	p. 16	p. 105
- Consolidated statement of changes in equity	p.17 to 18	p. 105
- Consolidated statement of cash flows	p. 19 to 20	p. 105
- Notes to the consolidated financial statements	p. 21 to 60	p. 105
- Report of the <i>réviseur d'entreprises agréé</i>	p. 13 to 14	p. 105
Consolidated Interim Report as at March 31, 2017 – Press release		
- The unaudited consolidated interim report as at 31 March 2017 – Press Release of UniCredit dated 11 May 2017	entire document	p. 105
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2016		
- Consolidated Balance Sheet	p. 83 to 85	p. 105
- Consolidated Income Statement	p. 86	p. 105
- Consolidated Statement of Comprehensive Income	p. 87	p. 105
- Statement of Changes in Shareholders' Equity	p. 88 to 91	p. 105
- Consolidated Cash Flow Statement	p. 92 to 93	p. 105
- Notes to the Consolidated Accounts	p. 95 to 482	p. 105
- Certification	p. 541 to 543	p. 105
- Report of External Auditors	p. 545 to 547	p. 105
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2015		

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
- Consolidated Balance Sheet	p. 80 to 81	p. 105
- Consolidated Income Statement	p. 82	p. 105
- Consolidated Statement of Comprehensive Income	p. 83	p. 105
- Statement of changes in Shareholders' Equity	p. 84 to 87	p. 105
- Consolidated Cash Flow Statement	p. 88 to 89	p. 105
- Notes to the Consolidated Accounts	p. 91 to 506	p. 105
- Consolidated Financial Statements Certification	p. 557 to 559	p. 105
- Report of External Auditors	p. 561ff.	p. 105

The Registration Document of UniCredit Bank AG dated 21 April 2017 has been published on the website of HVB (<https://www.onemarkets.de/de/rechtliches/registrierungsdokumente-uvp.html>).

The Annual Report of HVB Group as at 31 December 2016, the Annual Report of HVB Group as at 31 December 2015, the Annual Report of UniCredit Bank AG as at 31 December 2016 and the Annual Report of UniCredit Bank AG as at 31 December 2015 have been published on the website of HVB (<https://investors.hypovereinsbank.de/cms/english/investorrelations/reportsfinancedata/index.html>).

The Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2015, the Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2016, the Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2015 and the Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2016 have previously been published and filed with the CSSF within the context of a procedure for the approval of the €60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016 and are available in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The documents listed in the table above can be found on the following websites:

Registration Document of UniCredit Bank AG dated 21 April 2017:

https://www.onemarkets.de/content/dam/onemarkets-relaunch/PDF/Registrierungsdokumente/UCB_Update_2017_RD_EN_final.pdf

Annual Report of HVB Group as at 31 December 2016:

<https://investors.hypovereinsbank.de/export/sites/ir/binaries/downloads/en/reports/2017-03-23-gb-2017-konzern-en.pdf>

Annual Report of HVB Group as at 31 December 2015:

<https://investors.hypovereinsbank.de/export/sites/ir/binaries/downloads/en/reports/2016-03-18-gb-2016-konzern-en.pdf>

Annual Report of UniCredit Bank AG as at 31 December 2016:

<https://investors.hypovereinsbank.de/export/sites/ir/binaries/downloads/en/reports/2017-03-23-gb-ag-2017-konzern-en.pdf>

Annual Report of UniCredit Bank AG as at 31 December 2015:

<https://investors.hypovereinsbank.de/export/sites/ir/binaries/downloads/en/reports/2016-03-18-gb-ag-2016-konzern-en.pdf>

Base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities):

http://www.onemarkets.de/content/dam/onemarkets/german/base-prospectuses/2014/DIP-2013-Base-Prospectus-for-the-issuance-of_Worst-of_Bonus_Securities_Worst-of_Express_Securities_and_Worst-of_Express_Cash_CollectSecurities.pdf

Base prospectus for the issuance of Fund-linked Securities under the Euro 50,000,000,000 Debt Issuance Programme of UniCredit Bank AG and the Euro 1,000,000,000 Debt Issuance Programme of UniCredit International Bank (Luxembourg) S.A. dated 20 October 2014:

http://www.onemarkets.de/content/dam/onemarkets/german/base-prospectuses/2014/20141020_Basisprospekt_Final.PDF

60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A., UniCredit Bank Ireland p.l.c. and UniCredit International Bank (Luxembourg) S.A. dated 15 June 2016:

https://www.onemarkets.de/content/onemarkets-relaunch/de/rechtliches/basisprospekte/basisprospekte-weitere-emittenten/unicredit-bank-ireland-p-l-c/2016.prospectus.pdf/basisprospekt_eur60000000000euromediumtermnoteprogramme_66778966

First Supplement dated 6 July 2016 to the Base Prospectus dated 15 June 2016:

https://www.onemarkets.de/content/onemarkets-relaunch/de/rechtliches/basisprospekte/basisprospekte-weitere-emittenten/unicredit-bank-ireland-p-l-c/2016.prospectus.pdf/nachtrag_vom_06_072016_68109379

Second Supplement dated 16 August 2016 to the Base Prospectus dated 15 June 2016:

https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/funding-and-ratings/funding-programs/debt-issuance-programs/2016/EMTN_Supplement_dated_16_August_2016.pdf

Third Supplement dated 2 May 2017 to the Base Prospectus dated 15 June 2016:

<https://www.onemarkets.de/de/rechtliches/basisprospekte.html#basisprospekte-weitere-emittenten-unicredit-bank-international--luxembourg--s-a->

Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2016:

https://www.bourse.lu/issuer/documents/information?numEmet=91096#SignEmetDocsProg_showMoreDetails

Audited Consolidated Financial Statements of UniCredit International Bank (Luxembourg) S.A. as at and for the financial year ended 31 December 2015:

<http://www.bourse.lu/download/dl?v=ADyMFy5zxNFitbuuk6wDBq042Kdd8lsPubR4xy7RYQfQKBdEDz2vaYJHrKaTXO0LtDcpMhI1Bn6FgGxZ2tDG6a7h17qia2lksij0kjfDs3O2Mg7VJKEzEp5XuQ95+Qb5Uj0picsBdiNkPtDhrQ4PGARMV94UosZ9Wx/EAEwxP0=>

Consolidated Interim Report as at March 31, 2017 – Press release:

<https://www.unicreditgroup.eu/content/unicreditgroup-eu/en/press-media/press-releases-price-sensitive/2017/resoconto-intermedio-di-gestione-consolidato-al-31-marzo-2017.html>

Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2016:

<https://www.unicreditgroup.eu/en/investors/financial-reports.html>

Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2015:

<https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2015/4Q15/2015-Consolidated-Reports-and-Accounts.pdf>

Copies of any or all of the documents which are incorporated herein by reference will be available, free of charge, at the offices of UniCredit Bank AG (Arabellastraße 12, 81925 Munich, Germany) and UniCredit International Bank (Luxembourg) S.A. (8-10 rue Jean Monnet, L-2180 Luxembourg).

For the avoidance of doubt the content of the websites referred to in this Base Prospectus does not form part of the Prospectus.

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UniCredit S.p.A.

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UniCredit Bank AG

Arabellastraße 12
81925 München
Germany

PRINCIPAL PAYING AGENT

UniCredit Bank AG

Arabellastraße 12
81925 München
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or

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London E14 5LB
United Kingdom

CACEIS Bank S.A.

(as French Paying Agent for Euroclear France S.A.)

1-3 rue place Valhubert
75206 Paris Cedex 13
France

LUXEMBOURG LISTING AGENT

BNP Paribas Securities Services

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Luxembourg

AUDITORS

Auditors of UniCredit AG

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Ganghoferstraße 29
80339 Munich
Germany

Auditors of UniCredit International Luxembourg

Deloitte Audit S.à.r.l.

560, Rue de Neudorf
L-2220
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