



UniCredit S.p.A.

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

Base Prospectus

for the issuance of

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

under the

Euro 1,000,000,000 Issuance Programme of UniCredit S.p.A.

19 April 2019

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 Issuer.

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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 S.p.A. ("**UniCredit**" or the "**Issuer**") under the Euro 1,000,000,000 Issuance Programme of UniCredit S.p.A (the "**Programme**").

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 60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018, as supplemented by the 1st supplement date 23 November 2018 (the "**EMTN Programme**"), whose information is incorporated herein by reference, (b) 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 (c) 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 Issuer. 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 the Issuer, 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 Issuer 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 Issuer 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 Issuer 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 Issuer 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 and issuer. 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 gives its [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 [all financial intermediaries] [the following financial intermediaries: <i>insert individual intermediaries</i>].]</p> <p>[Not applicable. The Issuer does not give its 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>] [during 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 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 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.]</p> <p>[Besides, the consent is not subject to any other conditions.]</p> <p>[Not applicable. No consent is given.]</p>

	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.]
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B. ISSUER

B.1	Legal and commercial name of the Issuer	UniCredit S.p.A. (the " Issuer " or " UniCredit ")
B.2	Domicile/ legal form/ legislation/ country of incorporation	UniCredit is a <i>Società per Azioni</i> incorporated and operating under the laws of the Republic of Italy and domiciled in the Republic of Italy with registered office at Piazza Gae Aulenti, 3 Tower A 20154 Milan, Italy.
B.4b	Trend information	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 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 3,815 branches ¹ and 86,786 full time equivalent employees (FTEs) ² , to its client franchise. UniCredit offers local expertise as well as international reach and accompanies and supports its clients globally, providing clients with access to leading banks in its 14 core markets and operations in another 18 countries. 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.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	Income Statement 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 2018 and 31 December 2017 for the UniCredit Group:

¹ Retail branches only. The branches of of sub-group Koc Finansal Hizmetler AS are not included. Data as of 31 December 2018.

² "Full time equivalent" data (FTE): number of employees counted for the rate of presence. Employees of sub-group Koc Finansal Hizmetler AS are not included. Data as of 31 December 2018.

<i>€ millions</i>	Year ended 31 December 2018(*)	Year ended 31 December 2017(**)	Year ended 31 December 2017(***)
Operating income of which:	19,723	19,941	19,619
– net interest	10,856	10,633	10,299
– dividends and other income from equity investments	738	638	638
– net fees and commissions	6,756	6,695	6,708
Operating costs	(10,698)	(11,338)	(11,350)
Operating profit (loss)	9,025	8,603	8,268
Profit (loss) before tax	3,619	4,148	4,148
Net profit (loss) attributable to the Group	3,892	5,473	5,473
(*)	The financial information relating to the financial year ended 31 December 2018 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2018, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.		
(**)	The comparative figures as at 31 December 2017 in this column have been restated. The amounts related to year 2017 differ from the ones published in the "2017 Consolidated Reports and Accounts".		
(***)	As published in the "2017 Consolidated Reports and Accounts". The figures in this table refer to the reclassified income statement.		
Statement of Financial Position			
The table below sets out summary information extracted from UniCredit Group's consolidated audited statement of financial positions as at and for each of the financial years ended 31 December 2018 and 31 December 2017:			
<i>€ millions</i>	Year ended 31 December 2018(*)	Year ended 31 December 2017(**)	Year ended 31 December 2017(***)
Total assets	831,469	836,790	836,790
Financial assets held for trading	65,231	74,686	74,686
Loans and receivables with customers of which:	471,839	438,895	447,727
– Non-Performing loans (***)	14,903	21,112	21,192
Financial liabilities held for trading	43,111	55,784	55,784
Deposits from customers and debt	560,141	561,498	561,498

		<table border="1"> <tr> <td>securities in issue of which:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>– deposits from customers</td> <td>478,988</td> <td>462,895</td> <td>462,895</td> </tr> <tr> <td>– securities in issue</td> <td>81,153</td> <td>98,603</td> <td>98,603</td> </tr> <tr> <td>Group Shareholders' Equity</td> <td>55,841</td> <td>59,331</td> <td>59,331</td> </tr> </table> <p>(*) The financial information relating to the financial year ended 31 December 2018 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2018, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.</p> <p>(**) The comparative figures as at 31 December 2017 in this column have been restated. The amounts related to year 2017 differ from the ones published in the "2017 Consolidated Reports and Accounts".</p> <p>(***) As published in the "2017 Consolidated Reports and Accounts".</p> <p>(****) The perimeter of Impaired loans is substantially equivalent to the perimeter of EBA NPE exposures. Unlike the figures as at 31 December 2017, the figures as at 31 December 2018 apply the IFRS9 accounting principle and the exclusion of "Interessi di mora" components. The figures as at 31 December 2017 have been restated and differ from the ones published in the "2017 Consolidated Reports and Accounts" due to the exclusion of the debt securities. The figures in this table refer to the reclassified balance sheet.</p>	securities in issue of which:				– deposits from customers	478,988	462,895	462,895	– securities in issue	81,153	98,603	98,603	Group Shareholders' Equity	55,841	59,331	59,331
securities in issue of which:																		
– deposits from customers	478,988	462,895	462,895															
– securities in issue	81,153	98,603	98,603															
Group Shareholders' Equity	55,841	59,331	59,331															
	<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 to the period covered by the historical financial information</p>	<p>There has been no material adverse change in the prospects of UniCredit and the Group since 31 December 2018.</p> <p>Not applicable. There has been no significant change in the financial or trading position of UniCredit and the Group since 31 December 2018.</p>																

B.13	Events impacting the Issuer's solvency	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.
B.14	Dependence upon other group entities	See Element B.5 above. UniCredit 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.15	The Issuer's Principal activities	UniCredit, 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.16	Controlling shareholders	Not applicable. No individual or entity controls the Issuer within the meaning provided for in Article 93 of the Legislative Decree No. 58 of 24 February 1998 (the " Financial Services Act "), as amended.

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] [Telescope Securities linked to Target Vol Strategies] [Garant Digital Cash Collect Memory Securities] [Securities linked to Target Vol Strategies] [Worst-of Cash Collect Garant Securities] [Reverse Icarus Garant Securities]</p> <p>"Nominal Amount" means [Insert].³</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 ["Notes"] ["Certificates"] are debt instruments in dematerialized registered form pursuant to the Italian Consolidated Financial Act (<i>Testo Unico della Finanza</i>).]</p>
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³ The Nominal Amount shall not be less than EUR 1,000.

		<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 Securities are represented by a book entry.]</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 [<i>Insert</i>] (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, including ranking and limitations to those rights	<p>Rights attached to the Securities</p> <p>The Securities have a fixed term.</p> <p>[The Securities do not bear interest.]</p> <p><u>[Product Type 1 and 2: In the case of Garant Securities and All Time High Garant Securities with fixed rate the following applies:</u></p> <p>Interest Rate</p> <p>[The Securities bear [interest at a fixed interest rate] [interest at the respective Interest Rate].]</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] [<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, 10, 15-17 and 30-31: In the case of Garant Securities, Garant Digital Cash Collect Securities, Garant Digital Cash Collect Memory Securities, Securities linked to Target Vol Strategies, Twin-Win Garant Securities, Win-Win Garant Securities and Icarus Garant Securities, with an unconditional Additional Amount, the following applies:</u> The Security Holders are entitled to the payment of the respective Additional [Unconditional] Amount (1) (as specified in C.15) on the respective Additional [Unconditional] Amount Payment Date (1) as specified in the Annex to this Summary.]</p> <p><u>[Product Type 5-14, 18, 25, 30 and 32: In the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Performance Cliquet Securities, Garant Digital Cash Collect Securities, Garant Digital Cash</u></p>

Collect Memory 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, Garant Performance Telescope Basket Securities and Worst-of Cash Collect Garant Securities the following applies:

[[Upon occurrence of an Income Payment Event][In case of an Additional Conditional Amount Payment Event] (as specified in C.15),] [If R (k) is greater than the Strike [(as specified in the Annex to this Summary)],] [T][t]he Security Holders shall be entitled to payment of the respective Additional [Conditional] Amount (k) [(as specified in C.15)][(as specified in the Annex to this Summary)] on the Additional [Conditional] Amount Payment Date (k) as specified in the Annex to this Summary.

["**Strike**" means Strike Level (as specified in the Annex to this Summary) time R (initial).]

[Product Type 1–4 and 7–28, 31 and 32: 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 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, Securities linked to Target Vol Strategies and Worst-of Cash Collect Garant Securities the following applies:

The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Final Payment Date (as defined in C.16).]

[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: The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Final Payment Date (as defined in 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.]

[Product Type 29: In the case of Telescope Securities linked to Target Vol Strategies, the following applies:

Additional Amount (k)

[If the Performance of the Strategy (k) is greater than the Strike Level (as specified in the Annex to this Summary), the Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]

[The Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) (as specified in the Annex to this Summary).]

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor (k) (as specified in the Annex to this Summary) and the quotient of (ii) the difference between the Performance of the Strategy (k)

		<p>and the Strike Level, and D (k) (as specified in the Annex to this Summary). [However, the Additional Amount (k) is not less than the respective Minimum Additional Amount (k) (as specified in the Annex to this Summary).] [However, the respective Additional Amount (k) is not greater than the respective Maximum Additional Amount (k) (as specified in the Annex to this Summary).] The "Performance of the Strategy (k)" is equal to the quotient of the Level of the Strategy (as defined in C.15) on the respective Observation Date (k) (S (k)) and S (initial). The Security Holders are entitled to the payment of the Redemption Amount which corresponds to the Minimum Amount (as specified in the Annex to this Summary). <u>[Product Type 33: In the case of Reverse Icarus Garant Securities, the following applies:</u> The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Final Payment Date (as defined in C.16).] 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][Italian law]. Status of the Securities The obligations of the Issuer under the Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, ranking (subject to any obligations preferred by any applicable law [(also subject to the bail-in instruments as implemented under Italian law)]) pari passu with all other unsecured obligations (other than obligations ranking junior to the senior notes from time to time (including non-preferred senior notes and any further obligations permitted by law to rank junior to the senior notes following the Issue Date), if any) of the Issuer, present and future and, in the case of the senior notes, pari passu and rateably without any preference among themselves. Limitations of the rights The Issuer may [convert the Securities or] adjust the terms and conditions of the Securities.</p>
C.11	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 or other equivalent markets: [<i>Insert relevant regulated or other equivalent market(s)</i>].] [The first [trading] [listing] date will be specified in the admission notice published by [<i>Insert relevant regulated or other equivalent market(s)</i>].] [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>].] [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 regulated or other equivalent markets: [<i>Insert relevant regulated or other equivalent market(s)</i>].] [Not applicable. No application of the Securities to be admitted to trading on a regulated or another equivalent market has been made [and no such application is intended].] [[However,] [In addition,] application to [listing] [trading] [will be] [has</p>

		<p>been] made with effect from [<i>Insert expected date</i>] on the following unregulated [markets] [multilateral trading facilities (MTF)] [trading venues]: [<i>Insert relevant market(s), MTF(s) or trading venue(s).</i>]</p> <p>[[However, the] [The] Securities are already [listed] [traded] on the following unregulated [markets] [multilateral trading facilities (MTF)] [trading venues]: [<i>Insert relevant market(s), MTF(s) or trading venue(s).</i>]]</p> <p>[The [<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 unregulated market(s), MTF(s) or trading venue(s)</i>], where the Securities are expected to be [listed] [traded]. [The obligations of the Market Maker are regulated by the rules of [the markets organized and managed by [<i>Insert relevant unregulated market(s), MTF(s) or trading venue(s)</i>], and the relevant instructions to such rules] [Borsa Italiana SeDeX MTF] [EuroTLX SIM S.p.A.] [<i>insert relevant unregulated market, MTF or trading venue</i>]. [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	Effect of the underlying on the value of the securities	<p><u>[Product Type 1: In the case of Garant 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 Final Payment 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) (as defined in C.19). 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 Final Payment Date the "Redemption Amount" is an amount in the Specified Currency 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 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 Final Payment 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</p>

	<p>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.] [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) (as defined in C.19) [(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 Final Payment 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)]). 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><i>[Product Type 3: In the case of FX Upside 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 rises and falls if the price of the Underlying falls.</p> <p>The redemption payment on the Final Payment 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 Final Payment 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) (as defined in C. 19) x Strike Level, where the Strike Level is specified in the</p>
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	<p>Annex to this Summary.]</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>[Product Type 4: In the case of FX Downside Garant Securities, the following applies:</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 Final Payment 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 Final Payment 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) (as defined in C.19) x Strike Level, where the Strike Level is specified in the Annex to this Summary] [.</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> <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.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 $(R(k) - R(k-1)) / R(k-1)$.</p> <p>R (k) and R (k-1) are defined in C.19.]</p> <p>[An Additional Amount (k) is paid if the Reference Price (as specified in the Annex to this Summary) 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</p>
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	<p>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> <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).] [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 specified in the Annex to this Summary) on the Observation Date (k) is greater than the Strike (as specified in the 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 $(R(k) - \text{Strike}) / R(\text{initial})$. R (k) and R (initial) are defined in C.19. [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.] [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><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 Final Payment 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) and R (k-1) are defined in C.19. 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</p>
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in the Annex to this Summary). [The Minimum Amount is less than the Nominal Amount.] [*Insert for Garant Cap Performance Cliquet Securities:* In addition, the redemption payment is limited to a Maximum Amount (as specified in the Annex to this Summary).]

Additional Amount

[An Additional Amount (k) is paid if the Reference Price (as specified in the Annex to this Summary) on the Observation Date (k) is greater than the Reference Price on the preceding Observation Date (k-1).]

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 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).]

Redemption Amount

At the Final Payment 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 defined in C.19) 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].]

[Product Type 8: In the case of Garant Digital Cash Collect 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 and falls if the price of the Underlying falls.

The redemption payment on the Final Payment 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 [Conditional] Amount (k) (as specified in the Annex to this Summary) is paid on the Additional [Conditional] Amount Payment Dates (k) if R (k) is greater than or equal to the Strike. R (k) is defined in C.19. [*In case of Garant Digital Cash Collect with lock-in, the following applies:* Moreover, on all Additional Conditional Amount Payment Dates (k) following this Additional Conditional Amount Payment Date (k) the respective Additional Conditional Amount (k) shall be paid regardless whether R (k) is greater than or equal to the Strike.]

[The respective Additional Unconditional Amount (l) will be paid [moreover] on the respective Additional Unconditional Amount Payment Date (l)]

Redemption Amount

If no Barrier Event has occurred, the "**Redemption Amount**" at the Final Payment Date is equal to the Nominal Amount.

	<p>If a Barrier Event has occurred, the "Redemption Amount" at the Final Payment 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 defined in C.19) 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>A Barrier Event occurs if R (final) falls below the Barrier. [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.]]</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><i>Additional Amount</i></p> <p>[The "Additional Amount (k)" on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor [(k)] and (ii) the Performance of the Underlying (k).]</p> <p>[The "Additional Amount (k)" on the respective Observation Date (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor (k) and (ii) the minimum of (a) the Cap and (b) the maximum of the (x) Floor and (y) the Performance of the Underlying (k).]</p> <p>"Performance of the Underlying (k)" means $(R(k) - \text{Strike}) / R(\text{initial})$.</p> <p>[The Additional Amount (k) is not less than the [respective] 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>["Floor" means Floor Level - 100%.]</p> <p>["Strike" means Strike Level x R (initial).]</p> <p>The Participation Factor [(k)] [, the Cap [,] [and] the Floor [Level]] [and the Strike [Level]] are specified in the Annex to this Summary.</p> <p><i>Redemption Amount</i></p> <p>At the Final Payment 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).</p> <p>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).</p> <p>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</p>
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	<p>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 [Conditional] Amount (k) (as specified in the Annex to this Summary) is paid on the Additional [Conditional] 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) (as defined in C.19), where the Strike Level is specified in the Annex to this Summary.]</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). R (k) is defined in C.19.]]</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) is greater than or equal to the Strike (k-1). Strike (k-1) means Strike Level x R (k-1) (as defined in C.19), where Strike Level is specified in the Annex to this Summary.</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). R (k) and R (k-1) are defined in C.19.]]</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 Final Payment 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 defined in C.19) as the denominator.</p> <p>The Security Holder receives at least one specified minimum redemption payment. [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.] [In the case of Performance Telescope Securities with a Minimum Amount and a Cap, the following applies: Furthermore, the Redemption 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</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].]</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 Final Payment 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 <i>Insert</i>].]</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 defined in C.19), as the denominator, and (ii) the Strike Level, divided by D (k)..</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.] 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</p>
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	<p>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 defined in C.19) as the denominator.</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> <p><u>[Product Type 15: In the case of Twin-Win Garant 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 or falls moderately and falls if the price of the Underlying stagnates or falls sharply.</p> <p>The redemption payment on the Final Payment 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 defined in C.19) as the denominator. 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 [<i>In the case of Securities being issued for the first time under this Base Prospectus ("New Products"), insert:</i> in accordance with the Participation Factor] in the Performance of the Underlying, with any negative Performance also having a negative effect on</p>
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	<p>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.] <i>[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).]</i></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 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 (-).</p> <p>If a Barrier Event has occurred, the "Redemption Amount" is equal to the Nominal Amount multiplied by <i>[In the case of New Products, insert: the total of (i) the Floor Level and (ii) the difference, multiplied by the Participation Factor, between]</i> the Performance of the Underlying <i>[In the case of New Products, insert: and 1]</i>.</p> <p>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 specified in the Annex to this Summary) 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].</p> <p>The Redemption Amount is not less than the Minimum Amount <i>[Insert for Twin-Win Cap Garant Securities: and not greater than the Maximum Amount].]</i></p> <p><u><i>[Product Type 16: In the case of Win-Win 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 or falls and falls if the price of the Underlying stagnates.</p> <p>The redemption payment on the Final Payment 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 defined in C.19) as the denominator. 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). [The Minimum Amount is less than the Nominal Amount.] <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</p>
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	<p>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> <p><u><i>[Product Type 17: In the case of Icarus 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 moderately and falls if the price of the Underlying falls or rises sharply.</p> <p>The redemption payment on the Final Payment 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 defined in C.19) as the denominator. 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. [The Minimum Amount is less than the Nominal Amount.] 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> <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 specified in the Annex to this Summary) 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.].]</p> <p>The Redemption Amount will not be less than the Minimum Amount.]</p> <p><u><i>[Product Type 18: In the case of Geoscope 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 Final Payment 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 defined in C.19) as the denominator. 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</p>
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	<p>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 (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 Final Payment 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> <p><u>[Product Type 19: In the case of Garant Basket Securities, the following applies:</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 Final Payment 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) (as defined in C.19). The Security Holder participates in the Performance of the Underlying in accordance with the Participation Factor (as specified in the</p>
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	<p>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 Final Payment 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> <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 Final Payment 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) (as defined in C.19) multiplied by the respective Weighting_{i best} (as specified in the Annex to this Summary). 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 Final Payment 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>
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	<p>The redemption payment on the Final Payment 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 Final Payment 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) (as defined in C.19) x Strike Level, where the Strike Level is specified in the Annex to this Summary.]</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 Final Payment 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 Final Payment 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) (as defined in C.19) x Strike Level, where the Strike Level is specified in the Annex to this Summary.]</p>
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	<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>[Product Type 23: In the case of Proxy FX Upside Garant Basket Securities, the following applies:</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 Final Payment 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 Final Payment 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) (as defined in C.19) x Strike Level, where the Strike Level is specified in the Annex to this Summary.] 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>[Product Type 24: In the case of Proxy FX Downside Garant Basket Securities, the following applies:</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 Final Payment 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 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</p>
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	<p>specified in the Annex to this Summary).</p> <p>At the Final Payment 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 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) (as defined in C.19) x Strike Level, where the Strike Level is specified in the Annex to this Summary] 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>[Product Type 25: In the case of Garant Performance Telescope Basket Securities, the following applies:</u></p> <p>Garant Performance Telescope Basket Securities are Securities where the redemption on the Final Payment 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 defined in C.20) 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) (as defined in C.19).</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:</i> The Redemption Amount is less than the Nominal Amount.] [<i>In the case of Garant Performance Telescope Cap Basket Securities, the following applies:</i> Furthermore, the Redemption 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) 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).</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</p>
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	<p>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 Final Payment 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><i>[Product Type 26: In the case of Securities linked to Target Vol Basket Strategies, insert:</i></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^{°A} and the Underlying^{°B} 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 Final Payment 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 Underlying B 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^{°A} 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^{°A}, subject to a Minimum Weight, and the Underlying^{°B} is taken into account with a positive weight. If the volatility of the Underlying^{°A} 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 Underlying^{°B} 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 is less than the Nominal Amount.]</p> <p>The Securities are redeemed on the Final Payment 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>
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	<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),] [Underlying^oB,] [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 Final Payment 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 Final Payment 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> <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</p>
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	<p>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 Final Payment 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 Final Payment 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>[Product Type 29: In the case of Telescope Securities linked to Target Vol Strategies 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>Telescope Securities linked to Target Vol Strategy are Securities where the payment of the Additional Amount (k) depends on the Performance of the Strategy, which is linked to the Level of the Strategy.</p> <p>The "Level of the Strategy" depends on the Return of the Underlying A and the Return of the Underlying B, 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 the Volatility of the Underlying is higher than the Target Volatility then the Level of the Strategy participates with less than 100% in the Return of the Underlying A subject to the Minimum Weight. If the Volatility of the Underlying is less than the Target Volatility then the Level of the Strategy participates with more than 100% in the Return of the Underlying A, subject to the Maximum Weight.]</p>
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[Product Type 30: In the case of Garant Digital Cash Collect Memory 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 and falls if the price of the Underlying falls.

The redemption payment on the Final Payment 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, if R (k) is greater than or equal to the Strike, the respective Additional Conditional Amount (k) (as specified in the Annex to this Summary) is paid on the Additional Conditional Amount Payment Dates (k), less all Additional Conditional Amounts (k) paid on the preceding Additional Conditional Amount Payment Dates (k).] R (k) is defined in C.19. *[In case of Garant Digital Cash Collect Memory with lock-in the following applies:* Moreover, on all Additional Conditional Amount Payment Dates (k) following this Additional Conditional Amount Payment Date (k) the respective Additional Conditional Amount (k) shall be paid regardless whether R (k) is greater than or equal to the Strike.]

[The respective Additional Unconditional Amount (l) will be paid [moreover] on the respective Additional Unconditional Amount Payment Date (l).]

Redemption Amount

If no Barrier Event has occurred, the "**Redemption Amount**" at the Final Payment Date is equal to the Nominal Amount.

If a Barrier Event has occurred, the "**Redemption Amount**" at the Final Payment 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 defined in C.19) 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.

A Barrier Event occurs if R (final) falls below the Barrier. [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.]]

[In the case of Quanto Securities on a single underlying, insert:

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.]

[In the case of Quanto Securities on a basket, insert:

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.]

[In the case of Compo Securities, insert:

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.]

[Product Type 31: In the case of Securities linked to Target Vol Strategies, insert:

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^{°A} and the Underlying^{°B} 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.

Redemption on the Final Payment 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^{°A} relative to the Target Volatility. The Underlying^{°B} 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^{°A} 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^{°A}, subject to a Minimum Weight, and the Underlying^{°B} is taken into account with a positive weight. If the volatility of the Underlying^{°A} 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^{°A}, subject to a Maximum Weight, and the Underlying^{°B} 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 is less than the Nominal Amount.]

[The respective Additional Unconditional Amount (I) will be paid [moreover] on the respective Additional Unconditional Amount Payment Date (I).]

Redemption Amount

The Securities are redeemed on the Final Payment Date by payment of the Redemption Amount (the "**Redemption Amount**").

If no Barrier Event has occurred, the Redemption Amount is equal to the Nominal Amount multiplied by the sum of (i) the Floor Level and (ii) the Participation Factor multiplied by the maximum between (a) the difference, between the quotient of R (final), as the numerator, and R (initial) as the denominator, and the Strike and (b) 0.

If a Barrier Event has occurred, the Redemption Amount is equal to the Nominal Amount multiplied by the quotient of R (final) as the numerator and R (initial) as the denominator.

However, the Redemption Amount is in no event less than the Minimum Amount [In the case of Securities linked to Target Vol Strategies with a Cap, the following applies: and shall not be greater than the Maximum Amount].

A "**Barrier Event**" occurs if R (final) is lower than the Barrier.

["**Barrier**" means Barrier Level x R (initial).]

["**Barrier**" means the Barrier as specified in the Annex to this Summary]

[In the case of Quanto Securities, insert:

The Securities are issued as Quanto Securities.]

	<p>Floor Level, [Maximum Amount,] Maximum Weight, Minimum Amount, Minimum Weight, Participation Factor, [R (initial),] [Reference Rate,] [Underlying°B,] Strike, [Barrier,] [Barrier Level] and Target Volatility are specified in the Annex to this Summary.</p> <p>["Maximum Amount"] means [Insert].]</p> <p><u>[Product Type 32: In the case of Worst-of Cash Collect Garant Securities, the following applies:</u></p> <p>The value of the Securities during their term depends decisively 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 the value of the Securities falls if the price of the Basket Components falls.</p> <p><i>Additional Amount</i></p> <p>The payment of the Additional Conditional Amount (k) depends on the occurrence of an Additional Conditional Amount Payment Event.</p> <p>"Additional Conditional Amount Payment Event" means that the Worst Performance (k) is equal to or greater than the Additional Amount Payment Level (k) on the respective Observation Date (k) (as defined in C.16).</p> <p>"Worst Performance (k)" means, with respect to the respective Observation Date (k), the performance of the Basket Component_i with the worst (lowest) performance. With respect to the respective Observation Date (k), the performance of each Basket Component_i is calculated by the Calculation Agent as $K_i(k)$ (as defined in C.19) divided by $K_i(\text{initial})$ (as defined in C.19).</p> <p>If an Additional Conditional Amount Payment Event has occurred on an Observation Date (k), the respective Additional Conditional Amount (k) is paid on the respective Additional Conditional Amount Payment Date (k).</p> <p>If no Additional Conditional Amount Payment Event has occurred on an Observation Date (k), no Additional Conditional Amount (k) is paid on the respective Additional Conditional Amount Payment Date (k).</p> <p>The Additional Amount Payment Level (k) is specified in the Annex to this Summary.</p> <p><i>Redemption Amount</i></p> <p>The Securities are redeemed on the Final Payment Date by payment of the Redemption Amount (the "Redemption Amount").</p> <p>The Redemption Amount is equal to the Minimum Amount.]</p> <p><u>[Product Type 33: In the case of Reverse Icarus Garant Securities, the following applies:</u></p> <p>The value of the Securities during their term depends decisively on the price of the Underlying. If the price of the Underlying falls, the value of the Securities regularly rises. If the price of the Underlying rises, the value of the Securities regularly falls.</p> <p>The redemption amount on the Final Payment 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 defined in C.19) as the denominator.</p> <p>If the Reference Price in the case of continuous observation reaches or falls below the Barrier at least once during the Barrier Observation Period (as specified in the Annex to this Summary), the "Redemption Amount" is equal to the Nominal Amount multiplied by the total of (i) 1 and (ii) the difference, multiplied by the Participation Factor, between 1 and the Performance of the Underlying.</p> <p>If the Reference Price in the case of continuous observation has never been at or below the Barrier during the Barrier Observation Period, the</p>
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		<p>"Redemption Amount" is equal to the sum of the Nominal Amount and the Coupon Amount.</p> <p>"Coupon Amount" means the Nominal Amount x Coupon.</p> <p>[The "Coupon" is specified in the Annex to the Summary.]</p> <p>[The "Barrier" means Barrier Level x R (initial) [, where the Barrier Level is specified in the Annex to this Summary.].]</p> <p>The Redemption Amount will not be less than the Minimum Amount.]</p>
C.16	The expiration or maturity date of the derivative securities – the exercise date or final reference date	<p>[The "Final Observation Date[s]" [,][the "First Day of the Best-out Period"][the "First Day of the Worst-out Period"] and the] "Final Payment Date" [are][is] specified in the Annex to this Summary.]</p> <p>["Initial Observation Date[s]" mean[s] [<i>insert</i>].]</p> <p>["Observation Date[s] (k)" means the Observation Date[s] (k) as specified in the Annex to this Summary.] ["Exercise Date" means the [last] Final Observation Date.]</p> <p><u>[In the case of Securities with a Best-out feature, the following applies:</u></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><u>[In the case of Securities with a Worst-out feature, the following applies:</u></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 [<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>
C.17	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>
C.18	Description of how any return on derivative securities takes place	<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 Garant Coupon Geoscope Securities and Worst-of Cash Collect Garant Securities insert:</u></p> <p>Payment of the Additional [Conditional] Amount (k) on the Additional [Conditional] Amount Payment Date (k).]</p> <p>[Payment of the Redemption Amount on the Final Payment Date [upon automatic exercise].]</p> <p><u>[In the case of Garant Telescope Securities, Geoscope Securities, Garant Digital Coupon, Garant Digital Cliquet, Garant Coupon Geoscope and Worst-of Cash Collect Garant Securities insert:</u></p> <p>The Securities will be redeemed on the Final Payment Date at the</p>

		<p>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>
C.19	Exercise price or final reference price of the underlying	<p>["R (initial)"] is specified in the table in the Annex to this summary.]</p> <p>["R (initial)"] means the [Reference Price] [Level of the Target Vol Strategy] on the Initial Observation Date.]</p> <p>["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.]</p> <p>["R (initial)"] means the equally weighted average (arithmetic average) of the [Reference Prices] [Levels of the Target Vol Strategy] specified on the Initial Observation Dates.]</p> <p>["R (initial)"] means the [highest][lowest] value of the product of Reference Price and Reference Price Adjustment Factor during the [Best][Worst]-in Period.]</p> <p>["R (initial)"] means the [highest] [lowest] Reference Price on [each of the Initial Observation Dates] [each [<i>Insert relevant day(s)</i>] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including).]</p> <p>["R (initial)"] is specified in the table in the Annex to this summary.]</p> <p>["R (initial)"] means FX on the Initial Observation Date.]</p> <p>["R (initial)"] means the equally weighted average (arithmetic average) of FX published on the Initial Observation Dates.]</p> <p>["R (initial)"] means the [highest] [lowest] FX on [each of the Initial Observation Dates] [each [<i>Insert relevant day(s)</i>] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including).]</p> <p>["K_i (initial)"] is specified in the table in the Annex to this summary.]</p> <p>["K_i (initial)"] means the Reference Price_i [of the Basket Component_i] on the Initial Observation Date.]</p> <p>["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.]</p> <p>["K_i (initial)"] means the [highest][lowest] Reference Price_i on [each of the Initial Observation Dates] [each [<i>Insert relevant date(s)</i>] between the First Day of the [Best] [Worst]-in Period (including) and the Last Day of the [Best] [Worst]-in Period (including).]</p> <p>["K_i (initial)"] is specified in the table in the Annex to this summary.]</p> <p>["K_i (initial)"] means the respective FX_i on the Initial Observation Date.]</p> <p>["K_i (initial)"] means the equally weighted average (arithmetic average) of the FX_i published on the Initial Observation Dates.]</p> <p>["K_i (initial)"] means the [greatest] [lowest] FX_i on [each of the Initial Observation Dates] [each [<i>Insert relevant date(s)</i>] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including).]</p> <p>["K_i (initial)"] means the highest Reference Price_i of the Basket Component_i during the Best-in Period.]</p> <p>["K_i (initial)"] means the lowest Reference Price_i of the Basket Component_i during the Worst-in Period.]</p> <p>["K_{i best} (initial)"] means K_i (initial) of the Basket Component_{i best}.]</p> <p>["S (initial)"] means the Start Level of the Strategy (as specified in the Annex</p>

	<p>to this Summary.]</p> <p>["S (initial)" means the equally weighted average (arithmetic average) of the Levels of the Strategy on the Initial Observation Dates.]</p> <p>["K_i (k)" means the Reference Price_i of the Basket Component_i on the respective Observation Date (k).]</p> <p><u><i>[In the case of Securities with a final Reference Price observation, the following applies:</i></u></p> <p>"R (final)" means [the value of the product of] [the [Reference Price (as defined in the Annex to this Summary)] [Level of the Target Vol Strategy]] [and] [FX] [and Reference Price Adjustment Factor] on the Final Observation Date.]</p> <p><u><i>[In the case of Securities with a final average observation, the following applies:</i></u></p> <p>"R (final)" means the equally weighted average (arithmetic average) of [the products of] [the Reference Prices (as defined in Annex to this Summary)] [the Levels of the Target Vol Strategy] [and] [FX] [and Reference Price Adjustment Factor], specified on the Final Observation Dates (as defined in C.16).]</p> <p><u><i>[In the case of Securities with a [Best-out] [Worst-out] observation, the following applies:</i></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><i>[In the case of All Time High Garant [Cap] Securities, the following applies:</i></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> <p><u><i>[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:</i></u></p> <p>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.]</p> <p><u><i>[In the case of Securities with a final Reference Price observation, the following applies:</i></u></p> <p>"K_i (final)" means the [Reference Price of the Basket Component_i] [and] [FX_i] specified on the Final Observation Date[s].]</p> <p><u><i>[In the case of Securities with a final average observation, the following applies:</i></u></p> <p>"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].]</p> <p><u><i>[In the case of Securities with a [Best-out] [Worst-out] observation, the</i></u></p>
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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 Reference Prices of the Basket Component_i, determined on the Final Observation Dates (as defined in C.16).]

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

"**K_i (final)**" means the highest Reference Price of the Basket Component_i during the Best-out Period.]

[In the case of Garant Fund Rainbow 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 best} (final)**" means the Reference Price of the Basket Component_{i best} on the Final Observation Date (as defined in C.16).]

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

"**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).]

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

"**K_{i best} (final)**" means the highest Reference Price of the Basket Component_{i best} during the Best-out Period.]

		<p><u><i>[In the case of Securities linked to Target Vol Strategies and Securities linked to Basket Target Vol Strategies, the following applies:</i></u></p> <table border="1"> <thead> <tr> <th>ISIN</th> <th>[Basket Component] [Underlying]</th> <th>Reference Price_i</th> </tr> </thead> <tbody> <tr> <td>[Insert]</td> <td>[Insert]</td> <td>[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>"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>"R (k)" means the Reference Price on the relevant Observation Date (k).]</p>	ISIN	[Basket Component] [Underlying]	Reference Price _i	[Insert]	[Insert]	[Insert]									
ISIN	[Basket Component] [Underlying]	Reference Price _i															
[Insert]	[Insert]	[Insert]															
C.20	Type of the underlying and description where information on the underlying can be found	<p>[The [share] [index] [commodity] [futures contract] [fund share] [currency exchange rate] which forms the Underlying [A] is specified in Annex to this Summary.</p> <p>[The [Reference Rate] [fund share] which forms the Underlying B is specified in Annex to this Summary.]</p> <p>For further information about the past and the future performance of the Underlying and its volatility, please refer to the [Website][FX Screen Page] (or any successor website), as specified in the Annex to this Summary.]</p> <p>"Underlying" means a basket with the following [shares] [indices] [commodities] [futures contracts] [fund shares] [currency exchange rate] as basket components (the "Basket Components"):</p> <table border="1"> <thead> <tr> <th colspan="5">ISIN: [Insert]</th> </tr> <tr> <th>[Weighting (W_i)]</th> <th>Basket Component_i</th> <th>[Bloomberg] [ISIN]</th> <th>[Currency of the Basket Components]_i</th> <th>Website_i</th> </tr> </thead> <tbody> <tr> <td>[Insert]</td> <td>[Insert]</td> <td>[Insert]</td> <td>[Insert]</td> <td>[Insert]</td> </tr> </tbody> </table> <p>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).]</p>	ISIN: [Insert]					[Weighting (W _i)]	Basket Component _i	[Bloomberg] [ISIN]	[Currency of the Basket Components] _i	Website _i	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]
ISIN: [Insert]																	
[Weighting (W _i)]	Basket Component _i	[Bloomberg] [ISIN]	[Currency of the Basket Components] _i	Website _i													
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]													

D. RISKS

D.2	Key information on the key risks that are specific to the Issuer	<p>In purchasing Securities, investors assume the risk that the Issuer 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 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 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 control. The Issuer has 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: in case of failure or partial occurrence of the assumptions underlying the Strategic Plan, Group's actual results may differ significantly from those set forth in the strategic objectives; risks associated with the impact of the current macroeconomic uncertainties and the volatility of the markets on the Group's
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		<p>performance;</p> <ul style="list-style-type: none"> • risks connected with the UniCredit Group’s activities in different geographical areas; • credit risk and risk of credit quality deterioration: risk that a bank borrower or counterparty will fail to meet its obligations in accordance with the agreed terms; • risks associated with disposal on non-performing loans; • risks associated with UniCredit’s participation in the Atlante fund and the Italian Recovery Fund (former Atlante II fund): if the value of the assets in which the Atlante funds are invested and/or will be invested were to be reduced, or if such assets were to be replaced with assets having a greater risk profile or that are characterized by a greater degree of capital absorption, this could require to further write down UniCredit’s investment in the Atlante funds with consequent impacts on the capital ratios of UniCredit and with possible negative effects on the economic, equity and/or financial situation of UniCredit and/or the Group; • risks associated with the Group’s exposure to sovereign debt; • liquidity risk: UniCredit Group may find itself unable to meet its current and future, anticipated and unforeseen cash payments and delivery obligations without impairing its day-to-day operations or financial position; • risks related to intra-group exposure; • market risks: risk that changes in the market variables (interest rate, securities price, exchange rates, etc.) can affect the economic value of the Group’s portfolio; • risks associated with borrowings and evaluation methods of the assets and liabilities of the Issuer; • risks relating to the IT system management; • risks related to deferred taxes; • risks connected with interests in the capital of the Bank of Italy; • counterparty risk in derivative and repo operations: risk that the counterparty of such operations may fail to fulfil its obligations or may become insolvent before the contract matures, when the Issuer or one of the other Group companies still holds a credit right against the counterparty; • risks connected with exercising the Goodwill Impairment Test and losses in value relating to goodwill: the future evolution of certain factors, including macroeconomic developments and the volatility of financial markets, as well as changes in the Group corporate strategy, could have a material adverse impact on impairment tests and on Group business, financial condition and results of operations; • risks connected with existing alliances and joint ventures: obligations, in relation to coinvestments, distribution agreements and sale & purchase agreements, subject to certain conditions that, if met, could result in negative impacts on the operations, operating results, capital and financial position of the Issuer and/or the Group; • risks connected with the performance of the property market; • risks connected with pensions: the UniCredit Group is exposed to certain risks relating to commitments to pay pension benefits to employees following the termination of their employment;
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		<ul style="list-style-type: none"> • risks connected with risk monitoring methods and the validation of such methods; • risks connected with non-banking activities: default by the counterparties of operations, such as trading operations, or issuers of securities held by UniCredit Group companies, as well as, for the non-banking shareholdings (also deriving from conversion of debt into equity instruments) the mismanagement of these activities and the related equity investments could have major negative effects on the activity, operating results and capital and financial position of UniCredit and/or the Group; • risks connected with legal proceedings in progress and supervisory authority measures; • risks arising from tax disputes; • risks connected with the organisational and management model pursuant to Legislative Decree 231/2001 and the accounting administrative model pursuant to Law 262/2005; • risks connected with operations in the banking and financial sector: Group is subject to the risks arising from competition, primarily in the provision of lending and financial brokerage. The banking and financial sector is also influenced by the uncertainties surrounding the stability and overall situation of the financial markets. A deterioration of financial market conditions and a greater competitive pressure could have a negative effects on the operating results and capital and financial position of the Issuer and/or the Group; • risks connected with ordinary and extraordinary contribution to funds established under the scope of the banking crisis rules; • 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); • Basel III and CRD IV: UniCredit may be required to maintain levels of capital which could potentially impact its credit ratings, and funding conditions and which could limit UniCredit's growth opportunities; • forthcoming regulatory changes; • ECB Single Supervisory Mechanism: risks connected with increased capital requirements - the need for additional capital to meet capital requirements could have significant negative effects on the operating results and capital and financial position of UniCredit and/or the Group; • the bank recovery and resolution directive (BRRD) 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; • implementation of the BRRD in Italy: the exercise of the powers of the BRRD implemented in Italy (e.g. write-down or conversion into equity) may be applied to UniCredit and the Securities issued by UniCredit; • as of 2016 the UniCredit Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism: UniCredit
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		<p>is obligated to provide financial resources which could have a significant impact on UniCredit's financial and capital position;</p> <ul style="list-style-type: none"> • the European proposed financial transactions tax (the FTT); and • ratings: any rating downgrade of UniCredit or other entities of the Group could have a material adverse effect on its business, financial condition and results of operations.
D.6	Key information on the key risks that are specific to the securities	<p>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 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, 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. The competent resolution authority may apply resolution tools which include, among others, a bail-in instrument (e.g., conversion of Securities into equity instruments or write down). Application of a resolution tool may materially affect the rights of the Security Holders.</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</p>

	<p>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 Participation Factor, a Participation Factor (k) or a Final 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> <ul style="list-style-type: none"> • Key risks related to the Underlying or its components <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; (v) Risks related to the Worst-of Element.</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; (iv) Risks related to dividend payments; (v) Risks related to Group Shares].]</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>
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	<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>[Key risks related to commodities</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; (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</p>
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		<p>involved with investments in commodities; (ix) specific risks involved with investments in precious metals; (x) specific risks involved 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> <p>Investors may lose the value of their entire investment or part of it.</p>
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E. OFFER

E.2b	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>[Minimum Subscription Amount: <i>[Insert]</i>]</p> <p>[Maximum Subscription Amount: <i>[Insert]</i>]</p> <p>[Issue Price: <i>[Insert]</i>]</p> <p>[A public offer will be made in [Italy] [,] [and] [Germany] [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> <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 [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.]]</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>[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><u><i>[In the case of Securities being offered to Italian consumers, the following applies:</i></u></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>[Manner and date in which results of the offer are to be made public: [Not applicable] <i>[Insert details]</i>.]</p> <p>[The Securities will be underwritten [with a firm commitment basis] [without a firm commitment basis] [under best efforts arrangements] by the following Distributor[s]: <i>[Insert Distributor[s].]</i> <i>[Insert percentage]</i>% of the issue is not underwritten.] [The [underwriting] [subscription] agreement [is] [will be] dated as of <i>[Insert date]</i>.]</p> <p>[The Distributor is <i>[insert name and details]</i>.]</p> <p>[The [Issuer] [relevant distributor] <i>[insert other]</i> 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> <p>[The effectiveness of the offer is subject to [the adoption of the admission provision for trading by <i>[Insert relevant market(s) or trading venue(s)]</i> prior to the Issue Date] [the confirmation, prior to the Issue Date, by <i>[Insert relevant market(s) or trading venue(s)]</i> on the admissibility of the payoff with start of trading on the <i>[insert number of days]</i> business day following the Issue Date]. The Issuer undertakes to request the admission to trading on <i>[Insert relevant market(s) or trading venue(s)]</i> in time for the adoption of the admission provision by the Issue Date.]</p> <p>[Not applicable. No public offer occurs.] [The Securities shall be admitted to trading on an organised market.]</p>
E.4	Any interest	[Any of the distributors and their affiliates may be customers or borrowers of

	<p>that is material to the issue/offer including conflicting interest</p>	<p>the Issuer and 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 its affiliates in the ordinary course of business.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] [and][or] [[T][t]he Distributor] [has][have] a conflict of interest with regard to the Securities as they belong to UniCredit Group.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] is the Distributor of the Securities.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is the Calculation Agent of the Securities.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is [also] the [Principal] Paying Agent of the Securities.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is the arranger of the Securities.]</p> <p>[[UniCredit S.p.A.] [,][and] [UniCredit Bank AG] [,][and] [The Distributor] [has][have] a conflict of interest with regard to the Securities as [it][they] [UniCredit Bank AG] act[s] as systematic internalizer in the execution of customer orders.]</p> <p>[[UniCredit S.p.A.] [UniCredit Bank AG] acts as [index sponsor] [and] [, index calculation agent] [and] [, index advisor] [and] [index committee] with respect to the [Underlying] [or] [Basket Components] of the Securities.]</p> <p>[With regard to trading of the Securities [UniCredit S.p.A.][UniCredit Bank AG][a swap counterparty][the Distributor] has a conflict of interest being also the Market Maker on [<i>Insert relevant regulated or equivalent market(s) or other market(s) or trading venue(s)</i>] [any [regulated or equivalent] [or] [other] [market(s)] [or] [trading venue(s)] where the Securities are listed or admitted to trading].]</p> <p>[[<i>Insert relevant regulated or equivalent market(s) or other market(s) or trading venue(s)</i>] [Any [regulated or equivalent] [or] [other] market(s) [or] [trading venue(s)] where the Securities are listed or admitted to trading] is organised and managed by the [<i>insert</i>] [UniCredit S.p.A.][UniCredit Bank AG][the Distributor][a company in which UniCredit S.p.A. [– the holding company of UniCredit Bank AG –] [has a stake in] [and] [is related to]].]</p> <p>[[EuroTLX SIM S.p.A.] [<i>Insert relevant regulated or equivalent market(s) or other market(s) or trading venue(s)</i>] is a related party to [UniCredit S.p.A.][UniCredit Bank AG]. [The term related party, in relation to an entity, means any other entity which, directly or indirectly, controls that entity, or is controlled, directly or indirectly, by that entity, or where the entity and the other entity, directly or indirectly, are under the control of a common entity.]]</p> <p>[[UniCredit S.p.A.][UniCredit Bank AG] [or] [one of its affiliates] acts as an investment advisor or manager of a fund used as Underlying or Basket Components.]</p> <p>[The relevant Distributor receives from the Issuer an implied placement commission comprised in the Issue Price [<i>Insert</i>] [while] [the Issuer] [<i>insert</i>] [will receive] [an implied structuring commission] [<i>insert</i>] [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> <p>[Not applicable.]</p>
E.7	Estimated	[Selling Concession: [An upfront fee in the amount of [<i>Insert</i>] is included in

	<p>expenses charged to the investor by the Issuer</p>	<p>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. However, other charges like custody fees or transaction fees might be charged.]</p>
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ANNEX TO THE SUMMARY

[WKN] [ISIN] [Common Code] [(C.1)]	[Reference Price] [(C.19)] [(C.15)]	[Final Observation Date[s]] [(C.16)] [(C.19)]	[Final Payment Date] [(C.8)] [(C.16)]	[Minimum Amount] [(C.8)] [(C.15)]	[Maximum Amount] (C.15)	[Underlying A] [(C.15)] [(C.20)]	[[Website] [FX Screen Page] (C.20)]	[Participation Factor] [(C.8)] [(C.15)]	[Participation Factor] _{best} [(C.15)]	[Final Participation Factor] (C.15)	[Initial Observation Date[s]] [(C.15)]	[Observation Date (l)] [(C.15)] [(C.16)] [(C.19)]	[Final Observation Date[s]] (C.19) [(C.16)]	[FX Exchange Rate] (C.15)	[Target Volatility] [(C.8)] [(C.15)]
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert name of Underlying and ISIN]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[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.15)] [(C.19)]	[R (final)] [(C.15)] [(C.19)]	[Coupon] [(C.15)]	[[Strike] _i [Level]] [(C.8)] [(C.15)]	[Final Strike Level] _i [(C.8)] [(C.15)]	[Floor Level] (C.15)	[[Reference Price] Adjustment Factor] (C.15)	[Rebate Amount] (C.15)	[[K _i (initial)] [K _i (initial)] [(C.15)] [(C.19)]	[[Weighting] [Weighting] _{best} [Weighting] (C.15)]	[[Basket Component s] [Basket Component s _i] (C.15)]	[[Barrier] [Barrier Level] (C.15)]	[Barrier Observation Period] (C.15)	[Barrier Observation Date] (C.15)	[First Day of the [Best-out Period] [Worst-out Period] (C.16)]	[[Best] [Worst]-out-Period] (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]

[WKN] [ISIN] [Common Code] [(C.1)]	[Minimum Weight (C.15)]	[Maximum Weight (C.15)]	[Reference Rate [(C.8)] [(C.15)]]	[Underlying B] [(C.15)] [(C.20)]]	[Local Cap (l) (C.15)]	[Local Floor (l) (C.15)]	[First Day of the [Best] [Worst]-out Period (C.16)]	[Strike] _{best} (C.15)]	[Interest Rate] [(C.8)]	[Interest Period (C.8)]	[Interest Commencem ent Date] [(C.8)]	[Interest Payment Date[s]] [(C.8)] [(C.16)]	[First Interest Payment Date] [(C.8)] [(C.16)]	[Interest End Date] [(C.8)] [(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]	[Insert]	[Insert]	[Insert]	[Insert]

[WKN] [ISIN] [Common Code] [(C.1)]	[k]	[Observation Date (k) [(C.15)] [(C.16)] [(C.19)]]	[R [(k)][(k-1)] [(C.15)] [(C.19)]]	[[Strike[k]]k-1] [(C.15)]]	[Additional [Unconditional] Amount (l) [(C.8)] [(C.15)]]	[Additional [Unconditional] Amount Payment Dates (l) [(C.8)] [(C.15)]]	[Additional [Conditional] Amount Payment Dates (k) [(C.8)] [(C.15)] [(C.18)]]	[[Maximum] Additional [Conditional] Amount (k) [(C.8)] [(C.15)]]	[Minimum Additional Amount (k) [(C.8)] [(C.15)]]	[D (k) [(C.8)] [(C.15)]]	[Bonus Amount [(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]

[WKN] [ISIN] [Common Code] [(C.1)]	[Additional [Conditional] Amount Payment Level [(k)]] [(C.15)]	[Start Level of the Strategy (C.19)]	[Cap (C.15)]	[Floor (C.15)]	[Participation Factor [(k)] (C.15)]
[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 Issuer, are material with respect to the Issuer and to the Securities issued under this Base Prospectus 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 Issuer) of his or her investment.*

The Base Prospectus, including these Risk Factors, and the relevant Final Terms of the Securities 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.

The Issuer 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 Issuer to pay interest, principal or other amounts on or in connection with any Securities may occur for other reasons. The Issuer has 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) all documents the information of which is incorporated in the Base Prospectus by reference, and (c) 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 UNICREDIT

Potential investors should consider the information within the section entitled "Risk Factors" of the EMTN Programme, as supplemented by the 1st supplement to the EMTN Programme dated 23 November 2018, which is incorporated herein by reference as set out on page 564. This section contains information on risks which may affect the assets, liabilities and the financial position of UniCredit acting as Issuer and its ability to fulfil its obligations arising from the Securities.

Risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union (Brexit)

On 29 March 2017, the UK delivered to the European Council notice of its intention to withdraw from the EU, pursuant to Article 50 of the Treaty on the European Union. The delivery of such notice started a two - year period during which the UK is negotiating with the EU the terms of its withdrawal and of its future relationship with the EU (the "**Article 50 Withdrawal Agreement**").

If the parties fail to reach an agreement within this time frame, all EU treaties cease to apply to the UK, unless the European Council, in agreement with the UK, unanimously decides to extend this period. As part of those negotiations, a transitional period has been agreed in principle which would extend the application of EU law, and provide for continuing access to the EU single market, until the end of 2020. Absent such extension and subject to the terms of any Article 50 Withdrawal Agreement, the UK will withdraw from the EU no later than 29 March 2019. There are a number of uncertainties in connection with such negotiations, including their timing, and the future of the UK's relationship with the EU. It therefore remains uncertain whether the Article 50 Withdrawal Agreement will be finalised and ratified by the UK and the EU ahead of the 29 March 2019 deadline. In addition, the UK's decision to withdraw from the EU has also given rise to calls for the governments of other EU member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets, which could in turn depress economic activity and restrict the access to capital of the relevant Issuer and/or the Guarantor. Until the terms and timing of the UK's exit from the EU are clearer, it is not possible to determine the impact that the UK's departure from the EU and/or any related matters may have on the stability of the Eurozone or the European Union and, ultimately, on the business of the Group. As such, no assurance can be given that such matters would not adversely affect the Group, its business prospects, its financial condition, its results of operations, the ability of the relevant Issuer and/or the Guarantor to satisfy the relevant obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market. Please see also Condition 8.5 (*Issuer Call due to MREL or TLAC Disqualification Event*) of the Terms and Conditions for the English Law Notes and Condition 7.5 (*Issuer Call due to MREL or TLAC Disqualification Event*) of the Terms and Conditions for the Italian Law Notes.

Risks connected to Bank Capital Adequacy (Basel III and CRS IV)

In the wake of the global financial crisis that began in 2008, the Basel Committee on Banking Supervision (the "**BCBS**") approved, in the fourth quarter of 2010, revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, *inter alia*, higher and better-quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards. The Basel III framework adopts a gradual approach, with the requirements to be implemented over time, with full enforcement in 2019.

In January 2013, the BCBS revised its original proposal in respect of the liquidity requirements in light of concerns raised by the banking industry, providing for a gradual phasing-in of the Liquidity Coverage Ratio with a full implementation in 2019 as well as expanding the definition of high-quality liquid assets to include lower quality corporate securities, equities and residential mortgage backed securities. Regarding the other liquidity requirement, the net stable funding ratio, the BCBS published the final rules in October 2014 which took effect from 1 January 2018.

The Basel III framework has been implemented in the EU through new banking requirements: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**") and the CRR (together with the CRD IV Directive, the "**CRD IV Package**"). Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (the requirements are now largely fully effective as of 1 January 2019 and some minor transitional provisions provide for phase-in until 2024) but it is possible that in practice implementation under national laws could be delayed. Additionally, it is possible that Member States may introduce certain provisions at an earlier date than that set out in the CRD IV Package. National options and discretions that were so far exercised by national competent authorities will be exercised by the SSM (as defined below) in a largely harmonised manner throughout the Banking Union. In this respect, on 14 March 2016, the ECB adopted

Regulation (EU) No. 2016/445 on the exercise of options and discretions. Depending on the manner in which these options/discretions were so far exercised by the national competent authorities and on the manner in which the SSM will exercise them in the future, additional/lower capital requirements may result.

In Italy, the Government approved a Legislative Decree on 12 May 2015 ("**Decree 72/2015**") implementing the CRD IV Directive. Decree 72/2015 entered into force on 27 June 2015. Decree 72/2015 impacts, *inter alia*, on:

- proposed acquirers of holdings in credit institutions, requirements for shareholders and members of the management body (Articles 23 and 91 of the CRD IV Directive);
- competent authorities' powers to intervene in cases of crisis management (Articles 64, 65, 102 and 104 of the CRD IV Directive);
- reporting of potential or actual breaches of national provisions (so called whistleblowing, Article 71 of the CRD IV Directive); and
- administrative penalties and measures (Article 65 of the CRD IV Directive).

The Bank of Italy published new supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013 as subsequently amended from time to time by the Bank of Italy (the "**Circular No. 285**")) which came into force on 1 January 2014, implementing the CRD IV Package, and setting out additional local prudential rules. According to Article 92 of the CRR, institutions shall at all times satisfy the following own funds requirements: (i) a CET1 Capital ratio of 4.5 per cent.; (ii) a Tier 1 Capital ratio of 6 per cent.; and (iii) a Total Capital ratio of 8 per cent. These minimum ratios are complemented by the following capital buffers to be met with CET1 Capital:

- *Capital conservation buffer*: The capital conservation buffer has applied to UniCredit since 1 January 2014 pursuant to Article 129 of the CRD IV Directive and Part I, Title II, Chapter I, Section II of Circular No. 285. According to the 18th update⁴ to Circular No. 285 published on 4 October 2016, new transitional rules were set providing for a capital conservation buffer set for 2018 at 1.875 per cent. of RWAs, increasing to 2.5 per cent. of RWAs from 2019;
- *Counter-cyclical capital buffer*: The countercyclical capital buffer applied starting from 1 January 2016. Pursuant to Article 160 of the CRD IV Directive and the transitional regime granted by Bank of Italy, institutions' specific countercyclical capital buffer shall consist of Common Equity Tier 1 capital capped at 1.875 per cent. for 2018. In addition, the Bank of Italy decided on 23 March 2018 to maintain the counter-cyclical capital buffer applicable to credit exposures in Italy at 0 per cent. for the second quarter of 2018 (percentages are revised each quarter). As of 31 March 2018:
 - the specific countercyclical capital rate of UniCredit Group amounted to 0.03 per cent.;
 - countercyclical capital rates have generally been set at 0 per cent., except for the following countries: Czech Republic (0.50 per cent.); Hong Kong (1.875 per cent.); Iceland (1.25 per cent.); Norway (2 per cent.); Sweden (2.00 per cent.); and Slovakia (0.50 per cent.);
 - with reference to the exposures towards Italian counterparties, the Bank of Italy has set the rate equal to 0 per cent.;

⁴ On 6 October 2016, the Bank of Italy published the 18th update of Circular No. 285 that modifies the capital conservation buffer requirement. In publishing this update, the Bank of Italy reviewed the decision, made at the time the CRD IV was transposed into Italian law in January 2014, where the fully loaded Capital Conservation Buffer at 2.50 per cent. was requested, by aligning national regulation the transitional regime allowed by CRD IV.

- *Capital buffers for globally systemically important institutions ("G-SIIs")*: It represents an additional loss absorbency buffer (ranging from 1.0 per cent. to 3.5 per cent. in terms of required level of additional common equity loss absorbency as a percentage of risk-weighted assets), determined according to specific indicators (e.g. size, interconnectedness, complexity). It was subject to phase-in starting from 1 January 2016 (Article 131 of the CRD IV Directive and Part I, Title II, Chapter I, Section IV of Circular No. 285) and became fully effective on 1 January 2019. Based on the most recent list of G-SIIs published by the Financial Stability Board ("**FSB**") in November 2018 (the list is updated annually), the UniCredit Group is confirmed as a global systemically important bank ("**G-SIB**") included in "Bucket 1" (in a ranking from 1, where 5 is the highest); therefore, it has to comply with a target requirement of 1 per cent. in 2019 (0.75 per cent. for 2018); and
- *Capital buffers for other systemically important institutions ("O-SIIs")*: identified by the Bank of Italy as an O-SII authorised to operate in Italy, UniCredit has to maintain a capital buffer of 1 per cent. of its total risk exposure, to be achieved according to the following transitional period: 0.50 per cent. for 2019, and then increased by 0.25 per cent. for 2020 reaching the target of 1 per cent. from 1 January 2021. According to Article 131.14 of the CRD IV Directive however, the higher of the G-SII and the O-SII buffer will apply: hence, the UniCredit Group is subject to the application of the G-SII buffer (1 per cent. for 2019).

In addition to the above-listed capital buffers, under Article 133 of the CRD IV Directive, each Member State may introduce a Systemic Risk Buffer of Common Equity Tier 1 capital for the financial sector or one or more subsets of that sector in order to prevent and mitigate long-term non-cyclical systemic or macroprudential risks not otherwise covered by the CRD IV Package, in the sense of a risk of disruption in the financial system with the potential of having serious negative consequences on the financial system and the real economy in a specific Member State. As at the date of this Base Prospectus, no provision is taken on the systemic risk buffer in Italy.

Failure to comply with such combined buffer requirements triggers restrictions on distributions and the need for the bank to adopt a capital conservation plan on necessary remedial actions (Articles 140 and 141 of the CRD IV Directive).

In addition, UniCredit is subject to the Pillar 2 requirements for banks imposed under the CRD IV Package, which will be impacted, on an ongoing basis, by the SREP. The SREP is aimed at ensuring that institutions have in place adequate arrangements, strategies, processes and mechanisms to maintain the amounts, types and distribution of internal capital commensurate to their risk profile, as well as robust governance and internal control arrangements. The key purpose of the SREP is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system. See "**Error! Reference source not found.**" below for further details.

On 11 February 2019, UniCredit has been informed by the ECB about its final decision concerning the capital requirements following the results of its annual 2018 SREP which apply, on a consolidated basis, from 1 March 2019. A table setting out the UniCredit Group's fully-loaded capital requirements and buffers – which also indicates TSCR (Total SREP Capital Requirement) and OCR (Overall Capital Requirement) – is reported below (rounded to two decimal numbers):

Requirements 1 March 2019		CET1	T1	Total Capital
A)	Pillar 1 Requirements	4.50%	6.00%	8.00%
B)	Pillar 2 Requirements	2.00%	2.00%	2.00%
C)	TSCR (A+B)	6.50%	8.00%	10.00%

Requirements 1 March 2019	CET1	T1	Total Capital
D) Combined capital buffer requirement, of which:	3.57%	3.57%	3.57%
1. <i>Capital Conservation buffer</i>	2.50%	2.50%	2.50%
2. <i>Global Systemically Important Institution buffer</i>	1.00%	1.00%	1.00%
3. <i>Institution-specific Countercyclical Capital buffer (as of 1 March 2019)</i>	0.07%	0.07%	0.07%
E) OCR (C+D)	10.070%	11.57%	13.57%

As at 31 December 2018, the consolidated transitional capital ratios (CET1 Capital, Tier 1 and Total Capital ratios) were, respectively, 12.13 per cent. (12.07 per cent. on a fully-loaded basis), 13.64 per cent. and 15.80 per cent.

The quantum of any Pillar 2 requirement imposed on a bank, the type of capital which it must apply to meeting such capital requirements, and whether the Pillar 2 requirement is "stacked" below the capital buffers (i.e. the bank's capital resources must first be applied to meeting the Pillar 2 requirements in full before capital can be applied to meeting the capital buffers) or "stacked" above the capital buffers (i.e. the bank's capital resources can be applied to meeting the capital buffers in priority to the Pillar 2 requirement) may all impact a bank's ability to comply with the combined buffer requirement.

As set out in the "Opinion of the European Banking Authority on the interaction of Pillar 1, Pillar 2 and combined buffer requirements and restrictions on distributions" published on 16 December 2015, in the EBA's opinion competent authorities should ensure that the Common Equity Tier 1 Capital to be taken into account in determining the Common Equity Tier 1 Capital available to meet the combined buffer requirement is limited to the amount not used to meet the Pillar 1 and Pillar 2 own funds requirements of the institution. In effect, this would mean that Pillar 2 capital requirements would be "stacked" below the capital buffers, and thus a firm's CET1 resources would only be applied to meeting capital buffer requirements after Pillar 1 and Pillar 2 capital requirements have been met in full.

However, more recently, the EBA and the ECB appear to have adopted a more flexible approach to Pillar 2. In its publication of the 2016 EU-wide stress test results on 29 July 2016, the EBA has recognised a distinction between "Pillar 2 requirements" (stacked below the capital buffers) and "Pillar 2 capital guidance" (stacked above the capital buffers). With respect to Pillar 2 capital guidance, the publication stated that, in response to the stress test results, competent authorities may (among other things) consider "setting capital guidance, above the combined buffer requirement. Competent authorities have remedial tools if an institution refuses to follow such guidance. The ECB published a set of "Frequently asked questions on the 2016 EU-wide stress test", confirming this distinction between Pillar 2 requirements and Pillar 2 capital guidance and noting that "Under the stacking order, banks facing losses will first fail to fulfil their Pillar 2 capital guidance. In case of further losses, they would next breach the combined buffers, then Pillar 2 requirements, and finally Pillar 1 requirements".

The CRD Reform Package proposes to legislate this distinction between "Pillar 2 requirements" and "Pillar 2 capital guidance". Whereas the former are mandatory requirements imposed by supervisors to address risks not covered or not sufficiently covered by Pillar 1 and buffer capital requirements, the latter refers to the possibility for competent authorities to communicate to an institution their expectations for such institution to hold capital in excess of its capital requirements (Pillar 1 and Pillar 2) and combined buffer requirements in order to cope with forward-looking and remote situations. Under the CRD Reform Package proposals, (and as

described above), only Pillar 2 requirements, and not Pillar 2 capital guidance, will be relevant in determining whether an institution is meeting its combined buffer requirement.

The 2018 SREP letter also states a Pillar 2 capital guidance, to be fully satisfied with CET1 Capital.

As part of the CRD IV Package transitional arrangements, regulatory capital recognition of outstanding instruments which qualified as Tier I and Tier II capital instruments under the framework which the CRD IV Package has replaced that no longer meet the minimum criteria under the CRD IV Package will be gradually phased out. Fixing the base at the nominal amount of such instruments outstanding on 1 January 2013, their recognition is capped at 80 per cent. in 2014, with this cap decreasing by 10 per cent. in each subsequent year.

The CRD IV Package introduces a new leverage ratio with the aim of restricting the level of leverage that an institution can take on, to ensure that an institution's assets are in line with its capital. The Leverage Ratio Delegated Regulation (EU) No. 2015/62 was adopted on 10 October 2014 and was published in the Official Journal of the European Union in January 2015 amending the calculation of the leverage ratio compared to the current text of the CRR. Institutions have been required to disclose their leverage ratio from 1 January 2015. The CRD IV Package contains specific mandates for the EBA to develop draft regulatory or implementing technical standards as well as guidelines and reports related to liquidity coverage ratio and leverage ratio in order to enhance regulatory harmonisation in Europe through the Single Rule Book.

During the period of the Strategic Plan, the compliance on the part of UniCredit Group with minimum levels of capital ratios applicable on the basis of prudential rules in force and/or those imposed by the supervisory authorities (for example in the context of the SREP) and the achievement of the forecasts of a regulatory nature indicated therein depends, *inter alia*, on the implementation of strategic actions, which may have a positive impact on the capital ratios. Therefore, if such strategic actions are not carried out in whole or in part, or if the same should result in benefits other than and/or lower than those envisaged in the 2016-2019 Strategic Plan, which could result in deviations, even significant, with respect to the Plan Objectives, as well as producing negative impacts on the ability of the UniCredit Group to meet the constraints provided by the prudential rules applicable and/or identified by the supervisory authorities and the economic situation, the financial assets of the Group itself.

Should UniCredit not be able to implement the approach to capital requirements it considers optimal in order to meet the capital requirements imposed by the CRD IV Package, it may be required to maintain levels of capital which could potentially impact its credit ratings, and funding conditions and which could limit UniCredit's growth opportunities.

Risks associated with the Group's exposure to sovereign debt

Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. For the purposes of the current risk exposure, assets held for disposal and positions held through Asset Backed Securities ("**ABS**") are not included.

With reference to the Group's sovereign exposures²⁹, the book value of sovereign debt securities as at 31 December 2018 amounted to €117,275 million³⁰, of which about the 90% concentrated in eight countries; Italy, with €58,087 million, represents about 50% of the total. For each of the eight countries, the table below shows the nominal value, the book value and the fair value of the exposures broken down by portfolio as at 31 December 2018. The remaining 10% of the total of sovereign debt securities, amounting to €11,909 million with reference to the book values as at 31 December 2018, is divided into 35 countries, including Croatia (€1,391 million), Czech Republic (€1,184 million), Poland (€1,093 million), Serbia (€876 million), United States of America (€662 million), Slovakia (€605 million), Portugal (€573 million) and Russia (€561 million). The sovereign exposure to Greece is immaterial. With respect to these exposures, as at 31 December 2018 there were no indications that impairment may have occurred. It should moreover be noted that among the aforementioned remaining part of sovereign debt securities as at 31 December 2018 there are also debt securities towards Supranational Organizations such as the European

Union, the European Financial Stability Facility and the European Stability Mechanism amounting to €2,778 million.

In addition to the exposures to sovereign debt securities, loans³² given to central and local governments and governmental bodies must be taken into account.

The total amount as at 31 December 2018 of loans booked in financial assets at amortised cost portfolio given to countries towards which the overall exposure exceeds €130 million, represents over 94% of the total.

Risks connected with legal proceedings in progress and supervisory authority measures

Risks connected with legal proceedings in progress

UniCredit S.p.A. and other UniCredit group companies are named as defendants in several legal proceedings. In particular, as of 31 December 2018, the parent company UniCredit S.p.A. and other UniCredit group companies were named as defendants in about 20,800 legal proceedings, of which approx. 10,000 involving the parent company UniCredit S.p.A. (excluding labor law cases, tax cases and credit recovery actions in which counterclaims were asserted or objections raised with regard to the credit claims of Group companies). Moreover, from time to time, past and present directors, officers and employees may be involved in civil and/or criminal proceedings, the details of which the UniCredit group may not lawfully know about or communicate.

The Group is also required to fulfill appropriately various legal and regulatory requirements in relation to certain aspects of its activity, such as conflicts of interest, ethical issues, anti-money laundering laws, US and international sanctions, client assets, competition law, privacy and information security rules and others. Actual or alleged failure to do so may lead, to additional litigation and investigations and subjects the Group to damages claims, regulatory fines, other penalties and/or reputational damages. In addition, one or more Group companies and/or their current and/or former directors are subject or may in the future be subject to investigations by the relevant supervisory or prosecutorial authority in a number of countries in which the Group operates. These include investigations and/or proceedings relating, inter alia, to aspects of systems and controls and instances of actual and potential regulatory infringement by the relevant Group companies and/or its clients. Given the nature of the UniCredit group's business and its reorganization over time there is a risk that claims or matters that initially involve one Group company may affect or involve other Group entities. In many cases, there is substantial uncertainty regarding the outcomes of the proceedings and the amount of possible losses. These cases include criminal proceedings, administrative proceedings brought by the relevant supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liability of the Group is not and cannot be determined, either because of how the claims is presented and/or because of the nature of the actual proceedings. In such cases, until the time when it will be possible to estimate reliably the potential outcome, no provisions are made. However, where it is possible to estimate reliably the amount of possible losses and the loss is considered likely, provisions have been made in the financial statements to the extent the parent company UniCredit S.p.A., or any of the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with International Accounting Standards (IAS). To provide for possible liabilities and costs that may result from pending legal proceedings (excluding labor law and tax cases), as of 31 December 2018, the UniCredit group set aside a provision for risks and charges of €2,365 million, of which €647 million for the parent company UniCredit S.p.A. As of 31 December 2018, the total amount of claimed damages relating to judicial proceedings other than labor, tax and debt collections proceedings was €11.4 billion, of which approx. €7 billion for the proceedings involving the parent company UniCredit S.p.A. This figure is affected by both the disomogeneous nature of the pending proceedings and the number of involved jurisdictions and their corresponding characteristics in which the UniCredit group is named as a defendant. The estimate for reasonably possible liabilities and this provision are based upon information available as of 31 December 2018, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment. In particular, in some cases it is not possible to form a reliable estimate, for instance where proceedings have not yet been commenced or where

the extent of legal and factual uncertainties makes any estimate speculative. Therefore any provision may not be sufficient to meet entirely the legal costs and the fines and penalties that may result from pending legal actions. Set out below is a summary of information, including, if material and/or indicated, the single requests of the plaintiffs, relating to matters involving the UniCredit group which are not considered groundless or in the ordinary course of the Group's business. This section also describes pending proceedings against the parent company UniCredit S.p.A. and/or other UniCredit group companies and/or employees (even former employees) that the parent company UniCredit S.p.A. considers relevant and which, at present, are not characterized by a defined claim or for which the respective claim cannot be quantified. Unless expressly mentioned below, labor law and tax claims are excluded from this section and are described elsewhere in the notes of this section.

In accordance with IAS37, information that would seriously prejudice the relevant company's position in the dispute may be omitted

Risks connected with Supervisory Authority measures

During the course of its normal activities, the UniCredit Group is subject to structured regulations and supervision by various supervisory authorities, each according to their respective area of responsibility.

In exercising their supervisory powers, the ECB, Bank of Italy, CONSOB and other supervisory authorities subject the UniCredit Group to inspections on a regular basis, which could lead to the demand for measures of an organisational nature and to strengthen safeguards aimed at remedying any shortcomings that may be discovered, with possible adverse effects on the operating results, capital and/or financial position of the Group. The extent of any shortcomings could also cause the launch of disciplinary proceedings against company representatives and/or related Group companies, with possible adverse effects on the operating results, capital and/or financial position of the Group.

In particular, as at the date of this Base Prospectus, the following is noted:

Bank of Italy inspections:

In April 2016, Bank of Italy began looking into the "Remuneration methods of loans and overdrafts" at UniCredit, which was concluded at the end of May 2016. The Bank of Italy formulated its observations during the Board of Directors' meeting held on 15 December 2016. The supervisory authority highlighted several shortcomings, already, to a great extent, addressed by UniCredit and, more specifically, relating to: (i) the complete inclusion of the provisions on loans with the related integration of corporate regulations; (ii) the criterion for calculating the daily available balance; (iii) the reasons for transactions exempt from fast credit processing fees (CIV); and (iv) the structure of ex-post checks. On 15 February 2017, UniCredit provided the Bank of Italy with exhaustive answers, fully taking into account the corrective measures that have been and/or will be implemented by June 2019.

- a) In December 2016, the Bank of Italy launched an inspection related to "Transparency" of various branches in UniCredit's domestic network. The inspection was concluded in April 2017 and the final results were notified to UniCredit in August 2017. UniCredit sent a reply and action plan to the regulator on 27 October 2017. The remedy actions were completed in December 2018, according with the action plan delivered to the Bank of Italy.
- b) In February 2017, the Bank of Italy launched an inspection related to "Governance, Operational Risk, Capital and AML" of UniCredit's subsidiary Cordusio Fiduciaria S.p.A. concluded in April 2017. The final results were notified in June 2017, while UniCredit sent its reply and action plan on 3 August 2017. The remedy actions will be completed by December 2019.
- c) In June 2017, the Bank of Italy launched an inspection related to "Procedures to determine and enhance due diligence in respect of PEPs" of all the Italian banking companies of the

Group, concluded in July 2017. The final results were notified to UniCredit on 21 September 2017. UniCredit sent its reply and action plan to the regulator on 15 December 2017. The remedy actions were completed in December 2018.

- d) In November 2017, the Bank of Italy launched an inspection related to "Transparency and Usury" of UniCredit, concluded in February 2018. The final results were notified to UniCredit in June 2018 highlighting shortcomings mainly related to: (i) preparation of some unilateral modification of contract conditions, (ii) product approval process, (iii) internal and compliance controls. UniCredit sent an action plan to the regulator in September 2018. The remedy actions will be completed by December 2019.
- e) In February 2019 the Bank of Italy launched an inspection related to "AML Anti Money Laundering". The on-site phase is currently ongoing.

ECB inspections:

- a) At the end of January 2016, the ECB launched an inspection into the "Capital position calculation accuracy" in the Group also relating to Group-wide credit models. In December 2016, UniCredit presented to and discussed with the ECB possible measures and deadlines identified by the bank in order to remedy the problems identified during the inspection, in particular concerning the processes for calculation of capital and of RWA. In March 2017, UniCredit received the official notice of the findings from ECB, highlighting also that the impact of the findings was already incorporated into the 2016-2019 Strategic Plan. The consequential action plan has been sent to the ECB in April 2017. The remedy actions were concluded in March 2018.
- b) In February 2016, the ECB launched an inspection into the "Management of distressed assets/bad loans", as far as Italy was concerned, with the inspection at UniCredit concluding in May 2016. In November 2016, the supervisor notified UniCredit of the assessment outcome, highlighting possible areas for improvement with regard to the organisation, classification, monitoring, recovery, provision policy and management of guarantees, and recommending UniCredit continue the activities undertaken to resolve the ECB's findings. The consequential action plan, discussed with the ECB, was sent to the ECB in February 2017. The remedy actions were completed in October 2018.
- c) In June 2016, the ECB launched an investigation into Market Risk models, which was concluded at the end of July 2016. In March 2017, UniCredit was notified of the findings of the inspection and on 14 April 2017 delivered the action plan to the ECB. The remedy actions were completed in June 2018.
- d) In September 2016, the ECB launched an inspection into the "IRBB management and risk control system", which was concluded in December 2016. In June 2017, UniCredit was notified of the findings of the inspection and on 12 September 2017 delivered the action plan to the ECB. The remedy actions will be completed by March 2020.
- e) In September 2016, the ECB launched an inspection into the "Governance and Risk management – governance structure and business organisation of the foreign branches of UCB AG", which was concluded in December 2016. In July 2017, UCB AG was notified of the findings of the inspection and on 11 August 2017 delivered the action plan to the ECB. The remedy actions will be concluded by March 2019.
- f) In November 2016, the ECB launched an inspection into "Governance and RAF" (Risk Appetite Framework), which was concluded in February 2017. In June 2017, UniCredit was notified of the findings (including the results of the Enhanced Thematic Review on internal governance arrangements), highlighting the following areas of improvement: (i) governance strengthening; (ii) definition of a specific indicator on reputational risk and liquidity soundness monitoring; (iii) implementing risk assessment process in respect of related parties transactions; (iv) improve Legal and Control functions in respect to CIB

transactions. On 4 July 2017, UniCredit delivered the action plan to the ECB. The remedy actions were concluded by September 2018

- g) In November 2016, the ECB launched an inspection into the "Business Model and Profitability – Funding transfer price" which was concluded in March 2017. In October 2017, UniCredit was notified of the findings of the inspection and on 3 November 2017, UniCredit delivered the action plan to the ECB. The remedy actions were concluded in December 2018.

With regard to the action plans currently in progress, relating to the findings of inspections prior to 2016, there have been no deviations from the forecasts of implementation of the corrective measures. It is not possible, however, to rule out that deviations may arise in future, both in relation to the action plans that UniCredit will present involving the above-mentioned inspections. This eventuality could involve further intervention requests by the competent supervisory authorities and/or the launch of disciplinary proceedings against representatives of the company and/or Group companies, with possible negative effects on the operating results and capital and/or financial position of the Group.

- h) As disclosed in the ECB's "2017 Planned Supervisory Activities" sent in January 2017, in March 2017, the ECB announced an inspection related to "Collateral, provisioning and securitisation" of the Group. The inspection was launched in April 2017 and concluded in July 2017. In December 2017 UniCredit was notified of the findings of the inspection and on 24 January 2018 UniCredit delivered the action plan to the ECB. The remedy actions were completed by March 2019.
- i) In May 2017, the ECB provided UniCredit with the results of the Thematic Review of the risk data aggregation capabilities and the risk reporting practices based on BCBS239 principles. The ECB found certain shortcomings, including inter alia governance and data reconciliation, at the UniCredit Group level. UniCredit provided at the end of September 2017 an action plan to address the ECB's findings. The remedy actions will be concluded by June 2019.
- j) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in May 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD, CCF/EAD)", with particular reference to: Retail secured by real estate non SME. The inspection was launched in July 2017 and concluded in September 2017. The final report was released in December 2017. The final ECB recommendation letter was received in August 2018. UniCredit provided a dedicated action plan in February 2018. The inspection did not report blocking criticalities. A limitation linked to missing factor within the LGD model was raised.
- k) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in June 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Market risk (IRC, VaR, SVaR)", with particular reference to: Commodities risk, Debt instruments general risk, Debt instruments specific risk, Equity general risk, Equity specific risk, Forex risk. The inspection was launched in September 2017 and concluded in December 2017. The final ECB recommendation letter was received in January 2019. UniCredit provided ECB with a dedicated action plan in February 2019.
- l) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in July 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD) ", with particular reference to: Corporate SME including the assessment of an approval of material change related to PD and LGD for Corporate SME. The inspection was launched in October 2017 and concluded in February 2018. The final ECB recommendation letter was received in January 2019. UniCredit provided a dedicated action plan in February 2019.
- m) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in September 2017 the ECB announced a TRIM Targeted Review of Internal Models

inspection related to "Credit risk (PD)", with particular reference to: Retail other SME, including an assessment of an approval of material change related to Credit risk (PD) for Retail other SME. The inspection was launched in November 2017 and concluded in March 2018. The final results were notified in May 2018. Upon receipt of ECB recommendation letter in January 2019, UniCredit provided a dedicated action plan in February 2019.

- n) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in September 2018 the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Counterparty Credit Risk" for the risk category "All-IMM", including follow-up checking the remediation of previous IMI's findings. The inspection spanned from October until December 2018 and the draft assessment report was received on April 10th 2019.
- o) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on MNC and Sovereign (PD and LGD models), The inspection was launched on January 21, 2019, it is currently ongoing and it is expected to end in April 2019.
- p) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on Banks PD/LGD models and Group Wide EAD model, including the assessment of material model change only for GW EAD model. The inspection will be launched on May 6th, 2019 and it is expected to end in July 2019.
- q) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on GLOBAL PROJECT FINANCE (GPF) PD/LGD models. The inspection will be launched on May 21st, 2019 and it is expected to end in July 2019.
- r) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in August 2017, the ECB announced an inspection related to "IT risk" of UniCredit Group. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, mainly highlighting areas of improvement on some IT access rights processes. UniCredit delivered the action plan to ECB in July 2019. The remedy actions will be concluded by December 2019.
- s) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in February 2018 the ECB announced an inspection related to "Internal Governance – Compliance Function" of the UniCredit Group. The inspection was launched in April 2018 and concluded in July 2018. The final results were notified in October 2018, mainly highlighting areas of improvement on: (i) compliance oversight, (ii) compliance monitoring, (iii) launch of new products, (iv) monitoring of the consumer protection area. The dedicated action plan was delivered to ECB in January 2019. The remedy actions will be concluded in December 2019.
- t) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in March 2018 the ECB announced an inspection related to "Market Risk Framework, Policies and Procedures", with particular reference to CEE countries. The inspection was launched in April 2018 and concluded in June 2018. The final results were notified in November 2018, highlighting some areas of improvement on: (i) governance and organization, (ii) risk strategy, limitation and management process, (iii) risk management in terms of Pillar I and Pillar II. UniCredit delivered the dedicated action plan to ECB in March 2019. The remedy actions will be completed by December 2019.
- u) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in March 2018 the ECB announced an inspection related to "Credit Quality Review – Retail & SME-Portfolios" of UniCredit S.p.A. and subsidiaries in Italy. The inspection was

launched June 2018 and concluded in October 2018. The final results were notified in March 2019, highlighting some areas of improvement: (i) credit classification, (ii) forbearance granting and provisioning processes. UniCredit has already started a remediation plan.

- v) As disclosed in the ECB's "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection related to the "Business Model" of UniCredit S.p.A. The inspection was launched in September 2018 and concluded in December 2018. The final results have not yet been notified to UniCredit.
- w) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection dedicated to "IT Services". The inspection was launched in November 2018 and concluded in March 2019. The final results have not yet been notified
- x) In July 2018 the ECB notified to UniCredit the results of a review relating to the implementation of Commission Delegated Regulation (EU) 2015/61 with regard to the liquidity coverage requirement (LCR Deep Dive). UniCredit delivered the action plan to the ECB in August 2018. The remedial actions are planned to be concluded by March 2020.
- y) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Information Security". The inspection will start in May 2019.
- z) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Credit Lending Processing, Underwriting Standards and Delegations". The inspection will start in May 2019.
- aa) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Business Model CIB". The inspection will start in June 2019.

AGCM Inspections

In April 2016, the Italian Competition Authority ("**AGCM**") notified the extension to UniCredit (as well as to ten other banks) of the I/794 ABI/SEDA proceedings launched in January 2016 with regard to the Italian Banking Association ("**ABI**"), aimed at ascertaining of the existence of alleged concerted practices with reference to the Sepa Compliant Electronic Database Alignment ("**SEDA**").

On 28 April 2017, the AGCM issued a final notice whereby it confirmed that the practices carried out by the ABI, UniCredit and the other banks in connection with the adoption of the SEDA service model of compensation constituted an anti-competitive practice and therefore a violation of European competition regulations. With such notice, the AGCM ordered the parties to cease the infringement, submit a report evidencing the relevant measures adopted by 1 January 2018 to the AGCM, and refrain from enacting similar practices in the future. Given the fact that the infringements were minor in light of the legislative framework, the AGCM did not impose any monetary or administrative sanctions against UniCredit (or the other ten banks) also in consideration of the fact that, in the course of the proceeding, the ABI and the banks proposed a redefined SEDA service remuneration model which, if correctly implemented by the banks, is expected to decrease the current SEDA costs by half, which benefits the enterprises utilizing the service and, ultimately, the end-users of the utilities. On 1 February 2018, the AGCM communicated that it examined the compliance report relating to the proceeding in question concerning the SEDA service and, on the basis of the information presented therein, considered the procedures put in place in line with the measures indicated in the provision closing of the preliminary investigation.

In connection with the proposed new remuneration model for the SEDA service, two possible further risk factors can be envisaged, namely; (a) the economic risk relating to possible lower

earnings from the service, given that the proposed new remuneration structure is expected to involve lower levels compared to the current ones; and (b) economic risk relating to the costs of the adjustment of the IT procedures that will be necessary for the new remuneration structure. In addition, in light of the AGCM final notice, there is also the risk of claims against UniCredit in civil court by parties seeking damages for anti-competitive behaviour. In August 2016, UniCredit decided to appeal the AGCM decision at the TAR (the Italian regional court). As at the date of this Base Prospectus, the appeal filed vis-à-vis the regional court is still pending.

In April 2017, the AGCM extended to UniCredit (and to one other bank) the proceeding opened in January 2017 against IDB S.p.A. and IDB Intermediazioni S.r.l. In October 2017, the AGCM imposed pecuniary administrative penalties against the parties (€4 million against UniCredit), for an alleged unfair commercial practice relating to investment in diamonds. UniCredit decided to appeal the AGCM decision at the TAR. On November 14th, 2018, TAR rejected the appeal. UniCredit appealed the TAR decision before "*Consiglio di Stato*" (Supreme Administrative Court). As of the date the proceedings are still pending.

In April 2017, the AGCM launched proceedings against UniCredit (and against two more banks), at the same time requesting information, relating to alleged unfair commercial practice concerning compound interest (so called "*anatocismo*"). In November 2017, the AGCM imposed pecuniary administrative penalties against UniCredit and other banks (€5 million applied to UniCredit). UniCredit appealed the AGCM decision before the TAR. At the date of this Base Prospectus, the proceedings are still pending.

European Commission

On 31 January 2019 UniCredit received a Statement of Objections from the European Commission referring to the investigation by the European Commission of a suspected violation of antitrust rules in relation to European government bonds. The subject matter of the investigation extends to certain periods from 2007 to 2012, and includes alleged activities by one of UniCredit's subsidiaries in a part of this period.

The Statement of Objections does not prejudice the outcome of the proceeding; should the Commission conclude that there is sufficient evidence of an infringement, a decision prohibiting the conduct and imposing a fine could be adopted, with any fine subject to a statutory maximum of 10% of company's annual worldwide turnover.

UniCredit had access to the entirety of the European Commission's file on the investigation from 15 February 2019 onwards. As a result of the assessment of the files, the Bank regards it no longer remote but possible, even though not likely, that a cash outflow might be required to fulfill a potential fine arising from the outcome of the investigation. On the basis of the current information, it is not possible to reliably estimate the amount of any potential fine at the present date.

The deadline for UniCredit's response to the raised objections has been set for 29 April and is subject to possible extensions at the Commission's discretion. Following any response to Statements of objections the European Commission can grant the parties the opportunity of an oral hearing. At this time it cannot be assessed whether and when an oral hearing will take place. There is no legal deadline for the Commission to complete antitrust inquiries.

Risks arising from tax disputes

At the date of this Base Prospectus, there are various tax-related proceedings pending with regard to UniCredit and other companies belonging to the UniCredit Group, as well as tax inspections by the competent authorities in the various countries in which the Group operates.

Specifically, as at 31 December 2018, there were 486 tax disputes for an overall amount equal to €275,14 million, net of disputes settled which are referred to below.

As of 31 December 2018 the total amount of provisions for tax risks amounted to €182,13 million (including provisions for legal expenses).

As far as the tax inspections which were concluded during the course of the financial year ended at 31 December 2017 are concerned, reference is made to paragraph "*Proceedings Related to Tax Matters*" of the Description of UniCredit and the UniCredit Group.

In consideration of the uncertainty that defines the tax proceedings in which the Group is involved, there is the risk that an unfavourable outcome and/or the emergence of new proceedings could lead to an increase in risks of a tax nature for UniCredit and/or for the Group, with the consequent need to make further provisions and/or outlays, with possible negative effects on the operating results and capital and financial position of UniCredit and/or the Group.

Finally, it should be pointed out that in the event of a failure to comply with or a presumed breach of the tax law in force in the various countries, the UniCredit Group could see its tax-related risks increase, potentially resulting in an increase in tax disputes and possible reputational damage.

B. RISKS RELATED TO POTENTIAL CONFLICTS OF INTEREST

1. General potential conflicts of interest

The Issuer, 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, any of its 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. by exercising its reasonable discretion (pursuant to § 315 et seq. German Civil Code, *Bürgerliches Gesetzbuch*, "**BGB**"), if the governing law of the Securities is German law or, respectively, by acting in accordance with relevant market practice and in good faith if the governing law of the Securities is Italian law. 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

The Issuer, 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.

C. 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 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. Even in the case of an existing Secondary Market it cannot be excluded that the Security Holder may not be in a position to dispose of the Securities in the case of an unfavourable development of the Underlying or its Components or of a Currency Exchange Rate, e.g. if such development occurs outside of the trading hours of the Securities.

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, 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.

Risks relating to reverse structures

In case of *Reverse Icarus Garant Securities* a reverse structure applies, i.e. the value of the Securities falls and the Redemption Amount decreases if the price of the Underlying or its Components rises.

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).

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.

For an overview of risks arising from financial markets turmoil as well as governmental or regulatory interventions with respect to UniCredit and financial institutions generally, please refer

to the risk factor described in 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 taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Notes and/or the rights of Noteholders.*" beginning on p. 97, as supplemented by the 1st supplement to the EMTN Programme and as supplemented from time to time.

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 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 the regulation of benchmark indices

If the Securities make reference to 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**"), there is a risk that the Benchmark may not be used as reference value of the Securities from a certain point in time. This is in particular the case, if (subject to a transitional period) its administrator (i) does not obtain authorisation in due time, (ii) is based in a non-EU jurisdiction which does not satisfy the "equivalence" conditions and is not "recognised" pending such a equivalence decision or (iii) is not "endorsed" for such purpose.

In such event, depending on the particular Benchmark and the applicable terms of the Securities, the Securities could be de-listed (see also the risk as described under *Risk that no active trading market for the Securities exists* above), adjusted (as described under *Risks related to Adjustment Events*), redeemed prior to maturity (as described under *Risks related to Call Events*) 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 contribute input data to certain Benchmarks, trigger changes in the rules or methodologies used to determine 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. Furthermore, the methodology of a Benchmark might be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have an adverse effect on the Security Holders, including but not limited to an unfavourable adjustment of the published price or its volatility. Consequently, it might become necessary to also adjust (as described in *Risks related to Adjustment Events*) or even terminate the Securities (as described in *Risks related to Call Events*).

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 a commercially reasonable manner in its reasonable discretion (§ 315 BGB et seq.), if the governing law of the Securities is German law or, respectively, by acting in accordance with relevant market practice and in good faith if the governing law of the Securities is Italian law. 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. The laws and practices with respect to taxes are subject to change. 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 of 1986 or subject to 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 U.S. Internal Revenue Code ("IRC") and accompanying regulations can require the Issuer to withhold up to 30% of the amount of a dividend paid on an U.S. Underlying referenced in the Securities if a payment (or deemed payment) on the Securities is considered to be contingent upon, or determined by reference to, the payment of such dividend. The withholding tax is imposed only if the performance of the Securities bears a relationship to the performance of the U.S. Underlying that meets or exceeds specified thresholds. Pursuant to these U.S. rules, payments (or deemed payments) under certain equity-linked instruments that refer to the performance of U.S. equities or certain indices that contain U.S. equities, as an Underlying or a Component are treated as dividend equivalents ("**Dividend Equivalents**") and are subject to U.S. withholding tax of 30% (or a lower income tax treaty rate).

The withholding tax is imposed even if pursuant to the terms and conditions of the Securities, no actual dividend-related amount is paid or an adjustment is made. Investors may not be able to determine any connection to the payments to be made in respect of the Securities to the actual dividends.

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. If IRC section 871(m) requires withholding on a payment, none of the Issuer, a paying agent nor any other person will be obliged to pay additional amounts to the Security Holders in respect of the amount withheld. As a result of the deduction or withholding, Security Holders will receive less interest or principal than expected. In the worst case, payments to be made in respect of the Security would be reduced to zero or the amount of tax due could even exceed the payments to be made in respect of the Security (the latter situation may also arise if the Securities were to expire worthless and no payment was made to investors).

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 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 Final Payment 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, a Participation Factor (k) and a Final Participation Factor

The application of a participation factor within the calculation of Redemption Amount and/or an Additional 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 in accordance with the Final Terms. If the 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 as specified in the Final Terms. If the 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 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 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.

Regulatory developments, in particular the regulation of benchmarks, may result in the reference rate being no longer available during the term of the Securities or only being available under different terms and, accordingly, may have a negative impact on the payments under the Securities or the value of the future performance of the Securities (please see "*Risks related to the regulation of benchmarks*" below).

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 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 on the Securities. In this case, Security Holders are not entitled to demand interest due to such delayed payment.

D. 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 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 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).

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.

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.

Risks related to the Worst-of Element

Any amounts to be distributed under the Securities, as specified in the Final Terms, may be determined by reference to the price or the performance of the Basket Component with the worst/lowest performance only (the "**Worst-of Element**"). In such case a Security Holder can only participate in the performance of the Basket Component performing worst/lowest compared to the performances of the other Basket Components contained in the Underlying, whereas the performances of the other Basket Components is disregarded. Thus, the investor faces the risk of losses due to the performance of the Basket Component with the worst/lowest performance, even if some or all other Basket Components perform more favourably.

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.

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 Depository Receipts (ADRs) or Regional Depository 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.

Risks related to dividend payments

Dividend payments of the Underlying usually lead to a fall in its price and, therefore, may have an adverse effect on the Security Holder and its investment in the Securities. In particular, dividend payments may adversely affect the price of Securities. Furthermore, the Underlying may approach a certain limit or lead to the occurrence of an event relevant for the Securities and, therefore, negatively affect the payments of amounts under the Securities.

Risks related to Group Shares

In case of shares issued by the Issuer of the Securities (UniCredit S.p.A.) or shares issued by another company belonging to the UniCredit Group (the same group as the Issuer of the Securities) (both types of shares referred to as the "**Group Shares**"), there are the following additional risks:

Combination of Credit and Market Risk

The Issuer of the Securities and the issuer of the Group Shares may be exposed to the same risks, *inter alia*, resulting from a group-wide organization, management and business strategy. Risks materialising with the Issuer of the Securities or the issuer of the Underlying or another entity of the group may simultaneously affect both, the Issuer of the Securities as well as the issuer of the Underlying.

If the Issuer of the Securities is also the issuer of the Underlying, a decrease of the creditworthiness or insolvency of the Issuer would both affect the payments under the Securities (credit risk) and the development of the Underlying (market risk).

If the issuer of the Underlying is another company belonging to the UniCredit Group, the following applies:

If the creditworthiness of the Issuer, the holding entity of the group, is reduced, this may result in a simultaneous reduction of the creditworthiness of the issuer of the Underlying. Such reduction of the Issuer's rating would likely result in falling prices of the Underlying and, in addition, in a reduction in the market value of the Securities due to a reduced creditworthiness of the Issuer.

If the Issuer were to become insolvent, the issuer of the Group Shares would probably also become insolvent. In this case, there is an increased risk that the Security Holder will only receive significantly limited payments from the insolvency assets of the Issuer with regard to amounts payable under the Securities. On the one hand, the Security Holder's claims against the Issuer of the Securities would be subject to the insolvency rate applicable to claims of equal priority. On the other hand, the amounts payable under the Securities would decrease due to the loss in value of the Underlying as a result of the insolvency of the issuer of the Underlying.

Sector related risks

If both, the Issuer of the Securities and the issuer of the Group Shares belong to the same economic sector and/or country, a general negative performance of this sector or country might have a cumulated negative impact on the price development of the Securities.

Risks arising from special conflicts of interest on group level

The Issuer of the Securities will not consider the interests of Security Holders in its exercise of control with respect to the issuer of the Group Shares. Since both, the Issuer of the Securities and the issuer of the Group Shares are identical or, respectively, under joint control of the Issuer, conflicting interests at the Issuer's level might have negative effects on the overall performance of the Securities.

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 Conversion 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 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 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. Furthermore, certain kinds of AIF which are directed to professional and semi-professional investors only (so called special AIFs) may be subject to less regulation in relation to permitted assets, investment limits, valuation criteria, debt financing, custody, transparency and other requirements. In addition, in case of special AIFs there is an even higher risk that returns of participations may result in a liquidity shortage of the fund. This may be associated with substantial risks, which may have adverse effects on the value of the investment assets and thus on the payments under the Securities.

The distribution of Fund Shares may be subject to restrictions in the respective jurisdiction, which may also apply to the Securities linked to Fund Shares. As a result, a delivery of Fund Shares (as Underlying) at the maturity of the Securities may not be admissible or an investment into the Securities must even be reversed. A Security Holder may be exposed to the risk of not participating in a favourable development of the Underlying, an additional cost burden and a loss of the invested capital.

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 lead 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")

Exchange traded funds ("ETFs") generally aim to replicate the performance of a particular index, basket or individual asset ("**ETF-Benchmark**"). However, the constitutional documents or the investment program of an ETF allow the ETF-Benchmark to be replaced in certain circumstances. As a result, the ETF might not continuously replicate the performance of the original ETF-Benchmark. ETFs may either replicate the performance of a ETF-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 ETF-Benchmark.

Nevertheless, differences between the unit price of the ETF and the actual value of the ETF-Benchmark cannot be ruled out.

In contrast to other funds ETFs are generally not actively managed. Instead, investment decisions are predetermined by the relevant ETF-Benchmark and its constituent assets. A negative performance of the ETF-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 ETF-Benchmark typically entails additional risks such as the risk that some ETF-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 ETF-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 ETF-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 S.p.A. having its registered office at UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy, accepts responsibility for the information contained in this Base Prospectus. The UniCredit S.p.A. declares that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and that no material information has been omitted.

CONSENT TO THE USE OF THE BASE PROSPECTUS

The Issuer may consent to the use of the Base Prospectus to all financial intermediaries (general consent) or to only one or several specified financial intermediaries (individual consent) or to no financial intermediary (no consent) and will designate its decision in the Final Terms.

In case of a consent, the following applies:

The Issuer consents to the use of the Base Prospectus, any supplement thereto as well as the relevant Final Terms by financial intermediaries in the member states, in which the Base Prospectus has been notified, to the extent such member states have been specified as offering countries during the offer period specified in the Final Terms and the Issuer assumes the liability for the content of this Base Prospectus also with regard to any subsequent resale or final placement of the Securities.

The Issuer's consent to the use of the Base Prospectus may be given under the condition that

- (i) each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer and
- (ii) the consent to the use of the Base Prospectus is not revoked

In addition, the Issuer's consent to the use of the Base Prospectus may be given under the condition that the financial intermediary using the Base Prospectus commits itself to comply with any information and notification requirements under investment laws and regulations with regard to the Underlying or its Components. 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.

Furthermore, in connection with the consent to the use of the Base Prospectus the Issuer may impose the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Securities. This commitment is made by the publication of the financial intermediary on its website stating that the prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.

Apart from that, the consent is not subject to further conditions.

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

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

New information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms, as the case may, will be published and will be found on the website of the Issuer (<http://www.unicreditgroup.eu> and www.investimenti.unicredit.it) (or any successor website).

DESCRIPTION OF THE ISSUER

The following information regarding the Issuer is hereby incorporated by reference into this Base Prospectus:

- (i) the description of UniCredit included in the EMTN Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018
- (ii) the 1st supplement to the EMTN Programme dated 23 November 2018;
- (iii) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2018,
- (iv) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2017,
- (v) the press release dated 5 September 2018,
- (vi) the press release dated 23 October 2018,
- (vii) the press release dated 31 October 2018,
- (viii) the press release dated 2 November 2018,
- (ix) the press release dated 14 December 2018,
- (x) the press release dated 18 December 2018,
- (xi) the press release dated 19 December 2018 and
- (xii) the press release of UniCredit dated 6 February 2019 regarding the approval by the Board of Directors of UniCredit of a reorganisation project,
- (xiii) the press release of UniCredit dated 6 February 2019 regarding the announcement of a reorganisation project of the UniCredit Group's senior management team,
- (xiv) the press release of UniCredit dated 7 February 2019 regarding certain resolutions passed by the Board of Directors of UniCredit,
- (xv) the press release of UniCredit dated 7 February 2019 regarding the co-optation of Ms. Elena Carletti as Board Director and member of the Remuneration and the Internal Controls and Risks Committee of UniCredit,
- (xvi) the press release of UniCredit dated 8 February 2019 regarding the approval by the Board of Directors of UniCredit of the proposal, to be submitted at the next Ordinary Shareholders' Meeting, to distribute a unitary dividend,
- (xvii) the press release of UniCredit dated 11 February 2019 regarding the final decision of the European Central Bank concerning the capital requirements following the results of its annual Supervisory Review and Evaluation Process,
- (xviii) the press release of UniCredit dated 13 February 2019 regarding the issuance of a 10 year subordinated tier 2 bond,
- (xix) the press release of UniCredit dated 19 February 2019 regarding the agenda of the Ordinary and Extraordinary Shareholders' Meeting,
- (xx) the press release of UniCredit dated 19 February 2019 regarding the availability of the documentation concerning the agenda items of the ordinary session of the Shareholders' Meeting,
- (xxi) the press release of UniCredit dated 12 March 2019 regarding the availability of the documentation concerning the items on the Agenda of the Shareholders' Meeting,
- (xxii) the press release of UniCredit dated 12 March 2019 regarding the issuance of a Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes - Additional Tier 1 (AT1),

- (xxiii) the press release of UniCredit dated 19 March 2019 regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors,
- (xxiv) the press release of UniCredit dated 19 March 2019 regarding the availability of the documentation relating to the Shareholders' Meeting convened on 11 April 2019,
- (xxv) the press release of UniCredit dated 21 March 2019 regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors,
- (xxvi) the press release of UniCredit dated 27 March 2019 regarding the issuance of Tier 2 Notes,
- (xxvii) the press release of UniCredit dated 4 April 2019 regarding Composition of share capital,
- (xxviii) the press release of UniCredit dated 11 April 2019 regarding: The Shareholders' Meeting approves the 2018 Financial Statements,
- (xxix) the press release of UniCredit dated 15 April 2019 regarding the confirmation of settlement with U.S. and New York authorities to resolve U.S. economic sanctions investigation and
- (xxx) the Articles of Association of UniCredit S.p.A. dated 4 April 2019.

A list stating where the information incorporated by reference may be found is set out on pages 564 seq.

Principal Shareholders

As at 12 April 2019, UniCredit's share capital, fully subscribed and paid-up, amounted to € 20,994,799,961.81, comprising 2,233,376,842 ordinary shares.

UniCredit's ordinary shares are listed on the Italian, German and Polish regulated markets⁵. The shares traded on these markets have the same characteristics and confer the same rights on the holder.

As at 12 April 2019, according to available information, the main shareholders holding, directly or indirectly, a relevant participation in UniCredit were:

Major Shareholders	Ordinary Shares	% owned⁽¹⁾
Aabar Luxembourg S.A.R.L.	112,561,154	5.040
Dodge & Cox	111,715,904	5.002 ⁽²⁾
Norges Bank	67,084,044	3,004

⁽¹⁾ On share capital at the date of 12 April 2019.

⁽²⁾ non-discretionary asset management

Article 120, paragraph 2, of the Financial Services Act, as a consequence of Legislative Decree No. 25/2016, sets forth that holdings exceeding 3 per cent. of the voting capital of a listed company shall be communicated to both the latter and to CONSOB.

At the date of this document approval, there is no limitation to the exercise of voting rights.

No individual or entity controls UniCredit within the meaning provided for in Article 93 of the Financial Services Act, as amended.

External Auditors

Deloitte has audited and issued an unqualified audit opinion on the consolidated financial statements of UniCredit for the year ended 31 December 2018.

Management

Board of Directors

The board of directors (the "**Board**" or the "**Board of Directors**") is responsible for the strategic supervision and management of UniCredit and the Group and it may delegate its powers to the Chief Executive Officer (CEO) and other Board members.

The Board is elected by UniCredit shareholders at a general meeting for a three financial year term, unless a shorter term is established upon their appointment, and Directors may be re-elected. Under UniCredit Articles of Association, the Board is composed of between a minimum of 9 and a maximum of 24 members.

The Board of Directors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 12 April 2018 for a term of three financial years and is composed of 15 members. The term in office of the current members of the Board will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2020.

The Board can appoint one or more General Managers and/or one or more Deputy General Managers, establishing their roles and areas of competence. Should a Chief Executive Officer not

⁵ Further to the disposal of the controlling equity interest in Bank Pekao in June 2017, discussions shall be initiated with the relevant Authorities and market management companies in order to explore the feasibility of revoking the trading of ordinary shares on the Warsaw Stock Exchange in Poland.

have been appointed, the Board of Directors shall appoint a sole General Manager, and can appoint one or more Deputy General Managers, establishing their roles and areas of competence. The Board has appointed Mr. Jean Pierre Mustier as CEO to whom it has entrusted the management of the Company within the terms and limits set forth by the Board itself.

Taking into account the changes that occurred in the composition of the supervisory body after the above Shareholders' Meeting of 12 April 2018, the following table sets forth the current members of UniCredit Board of Directors.

Name	Position
Fabrizio Saccomanni ¹	Chairman
Cesare Bioni ²	Deputy Vice Chairman
Jean Pierre Mustier ¹⁻³	Chief Executive Officer
Mohamed Hamad Al Mehairi ²	Director
Lamberto Andreotti ²	Director
Sergio Balbinot ¹	Director
Martha Dagmar Böckenfeld ²	Director
Vincenzo Cariello ²	Director
Elena Carletti ²	Director
Isabelle de Wismes ²	Director
Stefano Micossi ²	Director
Maria Pierdicchi ²	Director
Francesca Tondi ²	Director
Alexander Wolfgring ²	Director
Elena Zambon ²	Director

Notes:

- (1) Director that does not meet the independence requirements pursuant to Clause 20 of the Articles of Association and Section 3 of the Italian Corporate Governance Code.
- (2) Director that meets the independence requirements pursuant to Clause 20 of the Articles of Association, Section 3 of the Italian Corporate Governance Code and Section 148 of the Financial Services Act.
- (3) Director that does not meet the independence requirements pursuant to Section 148 of the Financial Services Act.

The business address for each of the foregoing Directors is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

Other principal activities performed by the members of the Board which are significant with respect to UniCredit are listed below:

Fabrizio Saccomanni

- Deputy Chairman, member of the Board of Directors, of the Comitato di Presidenza and of the Executive Committee of ABI - Italian Banking Association
- Member of the Committee of Market Operators and Investors of CONSOB
- Member of the Executive Committee of Assonime
- Member of the Board of Consiglio per le Relazioni tra Italia e Stati Uniti
- Chairman of the Comitato tecnico per la Vigilanza Unica Europea - ABI

- Member of the Board of Directors of Institute of International Finance
- Member of the Board of Directors of ISPI - Istituto per gli Studi di Politica Internazionale
- Member of Comitato Scientifico Centro Studi Confindustria
- Member of the Comitato per la Corporate Governance
- Member of the Board of Istituto Luigi Einaudi
- Member of "Collegio di Indirizzo" of Fondazione Bologna Business School
- Member of the Trilateral Commission - Italian Group
- Member of the European Financial Services Round Table (EFR)
- Member of the EUROPEAN COUNCIL ON FOREIGN RELATIONS
- Senior Fellow, School of European Political Economy - LUISS GUIDO CARLI UNIVERSITY
- Deputy Chairman of ISTITUTO AFFARI INTERNAZIONALI
- Member of SOCIETA' ITALIANA DEGLI ECONOMISTI
- Chairman of the Board of Directors of Orchestra Filarmonica della Scala Association
- Member of the Board of Directors and Deputy Chairman of Fondazione Felice Gianani

Cesare Bioni

- Member of the Board of Directors of ABI - Italian Banking Association
- Member of the Board of Directors of Fondazione Universitaria Marco Biagi

Jean Pierre Mustier

- Shareholder of TAM S.à r.l.
- Shareholder of F.M. Invest SA
- Shareholder of Groupement Forestier Abbaye Grand Mont
- Shareholder of TAM Eurl
- Shareholder of Chelsea Real Estate
- Shareholder of HLD Associés
- Shareholder of Eastern Properties
- Shareholder of Bankable
- Shareholder of Dashlane Inc.
- Shareholder of Chili Piper Inc.

Mohamed Hamad Al Mehairi

- CEO and member of the Board of Directors of Aabar Investments PJS (Aabar)
- Member of the Board of Directors of Arabtec Holding PJSC (Arabtec)
- Member of the Board of Directors of Al Hilal Bank
- Member of the Board of Directors of Wessal Capital Asset Management S.A.
- Member of the Board of Directors of Palmassets S.A.
- Member of the Board of Directors of DEPA Limited

- Member of the Board of Directors of Emirates Investment Authority

Lamberto Andreotti

- Member of the Board of Directors of DowDuPont
- Senior Advisor of EW Healthcare

Sergio Balbinot

- Member of the Board of Management of Allianz SE
- Member of the Board of Directors of Allianz France S.A.
- Member of the Board of Directors of Allianz Sigorta A.S.
- Member of the Board of Directors of Allianz Yasam ve Emeklilik A.S.
- Member of the Board of Directors of Bajaj Allianz Life Insurance Co. Ltd
- Member of the Board of Directors of Bajaj Allianz General Insurance Co. Ltd
- Member of the Board of Directors of Borgo San Felice S.r.l.

Martha Dagmar Böckenfeld

- Chairman of DFG - Deutsche Fondsgesellschaft Invest S.E.
- Member of the Board of Directors of the following Generali Holding Ltd. (Switzerland) companies:
 - Generali Personenversicherungen AG
 - Generali General Insurance Ltd.
 - Fortuna Rechtsschutz-Versicherungs-Gesellschaft AG
 - Fortuna Investment AG
- Member of the Board of Directors of BlackRock Global Funds SICAV (BGF), BlackRock Strategic Funds (BSF), BlackRock Global Index Funds (BGIF)
- Member of the Advisory Board of Scope SE & Co. KgaA

Vincenzo Cariello

- none

Elena Carletti

- Scientific Director, European University Institute, Florence School of Banking and Finance (FDB)
- Member of the Advisory Scientific Committee, European Systemic Risk Board (ESRB) - European System of Financial Supervision
- Member of Expert Panel on banking supervision, European Parliament
- Member of the Executive Committee, European Finance Association
- Member of the Scientific Committee "Paolo Baffi Lecture", Bank of Italy
- Member of the Scientific Committee, Bruegel

Isabelle de Wismes

- none

Stefano Micossi

- Director General Assonime
- Member of the Board of Directors of the Centre for European Policy Studies
- Member of the Board of Directors and Executive Committee of European Issuers
- Member of the Comitato per la Corporate Governance
- Member and Coordinator of the scientific Committee of Confindustria
- Chairman of the LUISS - School of European Political Economy
- Member of the Board of Directors and Treasurer of the International Yehudi Menuhin
- Founding member and coordinator of EuropEos
- Honorary Professor at the College of Europe

Maria Pierdicchi

- Non-Executive Board Member and Chair of Human Resources Committee of Gruppo Autogrill
- Independent Board Member of Luxottica Group
- Non-Executive Board Member of AURORA AS

Francesca Tondi

- Member of the Advisory Board of Angel Academe
- Member of the Board of Directors of Angel Academe Nominee
- Member of the Selection Committee, Mentor of Fintech Circle

Alexander Wolfgring

- Member of the Board of Directors (Executive Director) of Privatstiftung zur Verwaltung von Anteilsrechten
- Member of the Board of Directors of AVZ GmbH
- Member of the Supervisory Board of Österreichisches Verkehrsbüro AG
- Chairman of the Supervisory Board of Verkehrsbüro Touristik GmbH
- Member of the Board of Directors of AVB Holding GmbH
- Member of the Board of Directors of API Besitz, GmbH
- Member of the Board of Directors of Mischek Privatstiftung

Elena Zambon

Zambon Group:

- Vice Chairman of GEFIM S.p.A.
- Chairman of ENAZ S.r.l.
- Member of the Board of Directors of IAVA S.r.l.
- Member of the Board of Directors of ITAZ S.r.l.
- Member of the Board of Directors of TANO S.r.l.
- Member of the Board of Directors of CLEOPS S.r.l.
- Member of the Board of Directors of Zambon Company S.p.A.
- Chairman of Zambon S.p.A.

- Vice Chairman of Zach Systems S.p.A.
- Member of the Board of Directors of Zeta Cube S.r.l.
- Member of the Board of Directors of ANGAMA S.r.l.
- Chairman of Fondazione Zoè (Zambon Open Education)

Offices extra Zambon Group:

- Chairman of Aidaf
- Member of the Board of Directors of FBN – Family Business Network
- Member of the Board of Directors of Istituto Italiano di Tecnologia (IIT)
- Vice Chairman of Aspen Institute Italia
- Member of the Board of Directors of Ferrari N.V.

Senior Management Planning & Reward

The following table sets out the name and title of each of the senior managers of the Issuer and of the Group:

<u>Name</u>	<u>Title</u>	<u>Other principal activities performed by the Senior Managers which are significant with respect to UniCredit</u>
Jean-Pierre Mustier	Chief Executive Officer	Please see Management – Board of Directors
Gianpaolo Alessandro	Head of Group Legal	Compagnia Aerea Italiana SpA - Member of the Board of Directors MIDCO SpA - Member of the Board of Directors Fineco AM LTD – Member of the Board of Directors
Carlo Appetiti	Chief Compliance Officer	None
Gianfranco Bisagni	co-Head Commercial Banking Central Eastern Europe	S.W.I.F.T. SCRL - Member of the Board of Directors UniCredit Services S.C.P.A. - Member of the Board of Directors ABI - Associazione Bancaria Italiana - Member of the Board of Directors AO UniCredit Bank - Member of the Supervisory Board Koc Finansal Hizmetler AS - Member of the Board of Directors Yapi Ve Kredi Bankasi AS - Member of the Board of Directors
Paolo Cornetta	Head of Group Human Capital	UniCredit Bank AG – Member of the Supervisory Board and Chairman Remuneration Control Committee; UniCredit Bank Austria AG – Member of the Supervisory Board, Nomination

<u>Name</u>	<u>Title</u>	<u>Other principal activities performed by the Senior Managers which are significant with respect to UniCredit</u>
		Committee and Vice Chairman Remuneration Committee;
		ABI - Associazione Bancaria Italiana - Member of the Board of Directors, Executive Committee and Committee on Union and Labor Affairs (CASL)
Serenella Candia	De Head of Internal Audit	None
Ranieri Marchis	de co-Chief Operating Officer	Fondo Interbancario di Tutela dei Depositi – Vice chairman of the Board of Directors, vice chairman of the Management Committee and member of the Management Committee of Voluntary Scheme Fondo Atlante – Member of the Investment Committee ABI - Associazione Bancaria Italiana – Member of the Board of Directors and member of the Executive Committee UniCredit Services Scpa – Chairman of the Board of Directors and member of the Internal Control and Risks Committee UniCredit Bank Austria – Vice Chairman of the Supervisory Board and of Audit Committee and member of Nomination Committee Anthemis Evo Llp – Member of the Management Board
Francesco Giordano	co-Head Commercial Western Europe	Banking UniCredit Services Scpa – Vice chairman of the Board of Directors UniCredit Bank AG – Member of the Supervisory Board and member of the Audit Committee Anthemis Evo Llp – Member of the Management Board Koc Finansal Hizmetler AS - Member of the Board of Directors Yapi Ve Kredi Bankasi AS - Member of the Board of Directors UniCredit Advisory Board Italy - Chairman
Olivier Khayat	co-Head Commercial Western Europe	Banking UniCredit International Bank (Luxembourg) SA – Vice chairman of

<u>Name</u>	<u>Title</u>	<u>Other principal activities performed by the Senior Managers which are significant with respect to UniCredit</u>
		Supervisory Board and Chairman of Audit Committee
		UniCredit Bank Austria AG – Member of Supervisory Board
		Kepler Cheuvreux S.A. – Member of Supervisory Board
		UniCredit Advisory Board Italy - Chairman
TJ Lim	Group Chief Risk Officer	none
Niccolò Ubertalli	co-Head Commercial Banking Central Eastern Europe	<p>UNICREDIT CONSUMER FINANCING EAD – Member of Supervisory Board</p> <p>YAPI KREDI BANK NEDERLAND N.V. – Vice chairman of Board of Directors and member Audit Committee</p> <p>YAPI KREDI FAKTORING AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI HOLDING BV – Vice chairman of Board of Directors</p> <p>YAPI KREDI FINANSAL KIRALAMA AO – Vice chairman of Board of Directors</p> <p>YAPI KREDI KUELTUER-SANAT YAYINCILIK TICARET VE SANAYI AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI BANK MOSCOW – Vice chairman of Board of Directors</p> <p>YAPI KREDI YATIRIM MENKUL DEGERLER AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI BANK MALTA LTD. – Vice chairman of Board of Directors and member Audit Committee</p> <p>KOC FINANSAL HIZMETLER AS – Deputy CEO</p> <p>YAPI VE KREDI BANKASI AS – Deputy CEO, vice chairman Credit Committee and of Executive Committee</p> <p>YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY – Member of Board of Directors</p> <p>YAPI KREDI KORAY</p>

Name	Title	Other principal activities performed by the Senior Managers which are significant with respect to UniCredit
		GAYRIMENKUL YATIRIM ORTAKLIGI AS – Member of Board of Directors
		ALLIANZ YASAM VE EMEKLILIK AS – Member of Board of Directors
Carlo Vivaldi	co-Chief Operating Officer	UNICREDIT SERVICES S.C.P.A. – Member of the Board of Directors UNICREDIT FOUNDATION (EX UNIDEA) – Member of the Board of Directors KOC FINANSAL HIZMETLER AS – Vice chairman Board of Directors YAPI VE KREDI BANKASI AS – Vice chairman Board of Directors and member of Remuneration Committee.

The business address for each of the foregoing members of UniCredit's senior management is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

Board of Statutory Auditors

The UniCredit Board of Statutory Auditors (the "**Board of Statutory Auditors**") supervises compliance with laws, regulations and the UniCredit's Articles of Association, the adequacy and functionality of the organisational and accounting structure of UniCredit as well as the overall functionality of the internal control system, with particular focus on risk management. The Board of Statutory Auditors supervises the financial disclosure process, the external auditing of the individual and consolidated financial statements, the compliance with the provisions on the disclosure of non-financial information and monitors the independence of the external audit firm. The Board of Statutory Auditors shall also report any irregularities or violations of the legislation to the Bank of Italy and, where required, to other supervisory authorities, and shall report to the Shareholders' Meetings called to approve UniCredit's financial statements on the supervisory activity performed and on any omissions and censurable detected facts.

The Board of Statutory Auditors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 11 April 2019 for a term of three financial years and its members may be re-elected. Pursuant to the provisions of the UniCredit's Articles of Association, the Board of Statutory Auditors consists of five permanent statutory auditors, including a Chairman. Furthermore, the above-mentioned Shareholders' Meeting appointed four stand-in statutory auditors.

The term in office of the current members of the Board of Statutory Auditors will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

All of the members of the Board of Statutory Auditors in office are enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance. The business address for each of the members of the Board of Statutory Auditors is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

The information on the Board of Statutory Auditors and its update is available on the UniCredit website.

The following table sets out the current members of UniCredit Board of Statutory Auditors:

Name	Position
Marco Giuseppe Maria Rigotti	Chairman
Angelo Rocco Bonissoni	Statutory Auditor
Benedetta Navarra	Statutory Auditor
Guido Paolucci	Statutory Auditor
Antonella Bientinesi	Statutory Auditor

Other principal activities performed by the Statutory Auditors of UniCredit which are significant for UniCredit are listed below:

Marco Giuseppe Maria Rigotti

- Chairman of the Board of Statutory Auditors of Autogrill S.p.A
- Chairman of the Board of Directors of Alisarda S.p.A
- Chairman of the Board of Directors of Geasar S.p.A.,
- Chairman of the Board of Directors of AQA Holding S.p.A

Angelo Rocco Bonissoni

- Attorney of Nuova CPS Servizi S.r.l.
- Managing Partner of CBA Studio Legale Tributario

Benedetta Navarra

- Member of the Supervisory Board and of the Audit Committee of UniCredit Bank Czech Republic and Slovakia, a.s.
- Member of Audit Committee of UniCredit BulBank
- Member of the Board of Directors of A.S. Roma S.p.A.
- Chairman of the Supervisory Body pursuant to legislative Decree 231/2001 of Equitalia Giustizia S.p.A.
- Statutory Auditor of CDP Reti S.p.A.
- Statutory Auditor of Italo S.p.A.
- Guala Closures S.p.A – Chairman of the Board of Statutory Auditors
- Member of the Supervisory Body pursuant to legislative Decree 231/2001 of Promo.Ter Roma
- Member of the Supervisory Body pursuant to legislative Decree 231/2001 of Confcommercio imprese per l'Italia Provincia di Roma Capitale

Guido Paolucci

- Chairman of the Board of Statutory Auditors of Ecofuel S.p.A.
- Chairman of the Board of Statutory Auditors of Raffineria di Gela S.p.A.
- Chairman of the Board of Statutory Auditors of Telecom Italia San Marino S.p.A.
- Chairman of the Board of Statutory Auditors of Telefonia Mobile Sammarinese S.p.A.
- Statutory Auditor of Nuova Compagnia di Partecipazioni S.p.A.
- Statutory Auditor of Edile Leonina S.p.A.
- Statutory Auditor of Olivetti S.p.A.

- Sole Auditor of Publispei S.r.l.
- Statutory Auditor of Consorzio CONOU
- Member of the Board of Directors of Fondazione Casa della Sofferenza
- Fondazione Giovanni Paolo II Member of the Board of Auditors
- Fondazione Santi Francesco d'Assisi e Caterina da Siena Chairman of the Board of Auditors

Antonella Bientinesi

- Chairman of the Board of Statutory Auditors of Cerved -Group S.p.A.
- Statutory Auditor of Enel Energia S.p.A.
- Statutory Auditor of Enel Green Power Solar Metehara S.p.A
- Statutory Auditor of Enel Green Power Solar Ngonye S.p.A
- Statutory Auditor of Società Subalpina di Imprese Ferroviarie S.p.A.
- Chairman of the Board of Auditors of Fondazione Il Faro
- Chairman of the Board of Auditors of AMREF Italia
- Statutory Auditor of ACER SEDE S.p.A.
- Statutory Auditor of F.A.I. (Fondo Ambiente Italiano)

Conflicts of Interest

As at the date of this Base Prospectus, and to the best of UniCredit knowledge, with regard to administrative, management and supervisory bodies (in particular, the members of the UniCredit Board of Directors and Board of Statutory Auditors) there are no conflicts of interest with the obligations arising from the duties to the Issuer, office or position held within UniCredit and their private interest, except for those disclosed in this section that may concern operations put before the relevant bodies of UniCredit, in accordance with the applicable procedures and in strict compliance with existing laws and regulations. Members of the UniCredit Board of Directors and Board of Statutory Auditors must indeed comply with the following provisions aimed at regulating instances where there exists a specific interest concerning the implementation of an operation:

- Article 53 of the Italian Banking Act sets forth the obligations envisaged by paragraph 1 of Article 2391 of the Italian Civil Code, hereinafter quoted, confirming the duty to abstain from voting for the Directors having a conflicting interest, on their own behalf or on behalf of a third party;
- Article 136 of the Italian Banking Act, which requires a special authorisation procedure (a unanimous decision by the supervisory body with the exclusion of the concerned officers' vote and the favourable vote of all members of the controlling body) should a bank enter into obligations of any kind or enter, directly or indirectly, into purchase or sale agreements with its corporate officers;
- Article 2391 of the Italian Civil Code, which obliges directors to notify fellow directors and the Board of Statutory Auditors of any interest, on their own behalf or on behalf of a third party, that they may have, in a specific company transaction, with the concerned member of the Board of Directors having to abstain from carrying out the transaction if he/she is also the CEO; and
- Article 2391-*bis* of the Italian Civil Code, CONSOB Regulation No. 17221 dated 12 March 2010 (and subsequent updates) concerning transactions with related parties, as well as the provisions issued by the Bank of Italy for the prudential supervision of banks concerning risk activities and conflicts of interest of banks and banking groups with

associated persons (New Prudential Supervisory Regulations of the Bank of Italy and subsequent updates).

In accordance with the said latest provisions, UniCredit has adopted specific policies and procedures in order to ensure, between the others, the transparency and the material and procedural correctness of the transactions with related parties, directly or through controlled companies. In accordance with the aforementioned provisions transactions with related parties or with associated persons fall within the exclusive responsibility of the UniCredit Board of Directors, with the exception of the transactions falling under the responsibility of the UniCredit Shareholders' Meeting. For information on related-party transactions, please see Part H of the Notes to the consolidated financial statements of UniCredit as at 31 December 2018, incorporated by reference herein.

Notwithstanding the obligations of Article 2391 of the Civil Code, UniCredit and its corporate bodies have adopted measures and procedures to ensure compliance with the provisions relating to transactions with its Corporate Officers, as well as transactions with related parties and associated persons.

Legal and Arbitration Proceedings and Proceedings connected to Actions of the Supervisory Authorities

Legal and arbitration proceedings

The parent company UniCredit S.p.A. and other UniCredit group companies are named as defendants in several legal proceedings. In particular, as of 31 December 2018, the parent company UniCredit S.p.A. and other UniCredit group companies were named as defendants in about 20,800 legal proceedings, of which approx. 10,000 involving the parent company UniCredit S.p.A. (excluding labor law cases, tax cases and credit recovery actions in which counterclaims were asserted or objections raised with regard to the credit claims of Group companies). Moreover, from time to time, past and present directors, officers and employees may be involved in civil and/or criminal proceedings, the details of which the UniCredit group may not lawfully know about or communicate.

The Group is also required to fulfill appropriately various legal and regulatory requirements in relation to certain aspects of its activity, such as conflicts of interest, ethical issues, anti-money laundering laws, US and international sanctions, client assets, competition law, privacy and information security rules and others. Actual or alleged failure to do so may lead, to additional litigation and investigations and subjects the Group to damages claims, regulatory fines, other penalties and/or reputational damages. In addition, one or more Group companies and/or their current and/or former directors are subject or may in the future be subject to investigations by the relevant supervisory or prosecutorial authority in a number of countries in which the Group operates. These include investigations and/or proceedings relating, inter alia, to aspects of systems and controls and instances of actual and potential regulatory infringement by the relevant Group companies and/or its clients. Given the nature of the UniCredit group's business and its reorganization over time there is a risk that claims or matters that initially involve one Group company may affect or involve other Group entities.

In many cases, there is substantial uncertainty regarding the outcomes of the proceedings and the amount of possible losses. These cases include criminal proceedings, administrative proceedings brought by the relevant supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liability of the Group is not and cannot be determined, either because of how the claims is presented and/or because of the nature of the actual proceedings. In such cases, until the time when it will be possible to estimate reliably the potential outcome, no provisions are made. However, where it is possible to estimate reliably the amount of possible losses and the loss is considered likely, provisions have been made in the financial statements to the extent the parent company UniCredit S.p.A., or any of the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with International Accounting Standards (IAS).

To provide for possible liabilities and costs that may result from pending legal proceedings (excluding labor law and tax cases), as of 31 December 2018, the UniCredit group set aside a provision for risks and charges of € 2,365 million, of which € 647 million for the parent company UniCredit S.p.A. As of 31 December 2018, the total amount of claimed damages relating to judicial proceedings other than labor, tax and debt collections proceedings was € 11.4 billion, of which approx. € 7 billion for the proceedings involving the parent company UniCredit S.p.A. This figure is affected by both the disomogeneous nature of the pending proceedings and the number of involved jurisdictions and their corresponding characteristics in which the UniCredit group is named as a defendant.

The estimate for reasonably possible liabilities and this provision are based upon information available as of 31 December 2018, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment. In particular, in some cases it is not possible to form a reliable estimate, for instance where proceedings have not yet been commenced or where the extent of legal and factual uncertainties makes any estimate speculative. Therefore any provision may not be sufficient to meet entirely the legal costs and the fines and penalties that may result from pending legal actions.

Set out below is a summary of information, including, if material and/or indicated, the single requests of the plaintiffs, relating to matters involving the UniCredit group which are not considered groundless or in the ordinary course of the Group's business.

This section also describes pending proceedings against the parent company UniCredit S.p.A. and/or other UniCredit group companies and/or employees (even former employees) that the parent company UniCredit S.p.A. considers relevant and which, at present, are not characterized by a defined claim or for which the respective claim cannot be quantified.

Unless expressly mentioned below, labor law and tax claims are excluded from this section and are described elsewhere in the Base Prospectus. In accordance with IAS37, information that would seriously prejudice the relevant company's position in the dispute may be omitted.

Madoff

Background

UniCredit and various of its direct and indirect subsidiaries have been sued or investigated in the wake of a Ponzi scheme perpetrated by Bernard L. Madoff ("**Madoff**") through his company Bernard L. Madoff Investment Securities LLC ("**BLMIS**"), which was exposed in December 2008. Madoff or BLMIS and the UniCredit's group of companies were principally connected as follows:

- The Alternative Investments division of Pioneer ("**PAI**"), an indirect subsidiary of UniCredit, was investment manager and/or investment adviser for the Primeo funds (including the Primeo Fund Ltd (now in Official Liquidation) ("**Primeo**")) and other non-U.S. funds-of-funds that had invested in other non-U.S. funds with accounts at BLMIS.
- Before PAI's involvement with Primeo, BA Worldwide Fund Management Ltd ("**BAWFM**"), an indirect subsidiary of UniCredit Bank Austria AG ("**BA**"), had been Primeo's investment adviser. BAWFM also performed for some time investment advisory functions for Thema International Fund plc ("**Thema**"), a non-U.S. fund that had an account at BLMIS.
- Some BA customers purchased shares in Primeo funds that were held in their accounts at BA.
- BA owned a 25 per cent. stake in Bank Medici AG ("**Bank Medici**"), a defendant in certain proceedings described below.
- BA acted in Austria as the "prospectus controller" under Austrian law in respect of Primeo and the Herald Fund SPC ("**Herald**"), a non-U.S. fund that had an account at BLMIS.

- UniCredit Bank AG (then Hypo- und Vereinsbank AG ("**HVB**")) issued notes whose return was to be calculated by reference to the performance of a synthetic hypothetical investment in Primeo.

Proceedings in the United States

Claims by the SIPA Trustee

In December 2010, the bankruptcy administrator (the "**SIPA Trustee**") for the liquidation of BLMIS filed, as one of a number of cases, a case in a U.S. Federal Court against approximately sixty defendants, including HSBC, UniCredit and certain of its affiliates (the "**HSBC case**").

In the HSBC case the SIPA Trustee sought to recover a damage compensation for an overall amount of more than USD 6 billion (to be later determined over the course of proceedings) against all 60 defendants or so defendants for common law claims (i.e. claims for aiding and abetting the violations by BLMIS) and avoidance claims (also known as claw-back claims). No separate claim for damages was brought against the UniCredit Group.

All claims against UniCredit and other companies of the UniCredit Group, both relating to common law claims and those related to claw-back actions, were rejected without any possibility of appeal, with the exception of (i) UCB Austria, with respect to which the SIPA Trustee on 21 July 2015 has voluntarily renounced, with possibility to appeal, the claw-back actions against UCB Austria; and (ii) BAWFM, where, on 22 November 2016, the bankruptcy court issued a decision that required the dismissal of the claw-back claims against BAWFM. On 16 March 2017, the SIPA Trustee filed a notice of appeal from the dismissal of the claims. The appeal remains pending. However, if that appeal were successful, the potential claim for damage is non-material and, therefore, there are no specific risk profiles for UniCredit Group. Certain current or formerly affiliated persons named as defendants in the HSBC case may have rights to indemnification from UniCredit and its affiliated entities. Furthermore, at the date of this Base Prospectus and to the knowledge of UniCredit, there are no further actions commenced by parties other than the SIPA Trustee in relation to this matter.

Claims by SPV OSUS Ltd.

The parent company UniCredit S.p.A. and certain of its affiliates - UCB Austria, BAWFM and PAI - were named as defendants, together with approximately 40 other defendants, in a lawsuit filed before the Supreme Court of the State of New York, County of New York, on 12 December 2014, by SPV OSUS Ltd. The lawsuit was removed to the United States District Court for the Southern District of New York on 20 April 2018. The plaintiffs' claims are based on common law, and are only aimed at obtaining monetary compensation, vis-à-vis all defendants in connection with alleged aiding and abetting a breach of fiduciary duty, aiding and abetting a fraud, aiding and abetting a conversion and knowing participation in a breach of trust in connection with the Madoff Ponzi Scheme. The case is brought on behalf of a purported assignee of an investor in BLMIS, with no specification of the claimed amount. On 30 March 2019, the district court judge dismissed the case for lack of personal jurisdiction and for failure to state a claim and closed the case.

Proceedings Outside the United States

Investors in the Primeo and Herald funds brought numerous civil proceedings in Austria. As of 31 December 2018, 30 civil proceedings remain pending with a claimed amount totaling €8.15 million plus interest, of which: 23 were pending before a judge of first instance with no judgment yet, and 5 were pending before the Court of Appeal with no judgment yet. Two cases were remanded back to the first instance. These two cases are pending before the Supreme Court. Further, one extraordinary appeal is pending at the Supreme Court since March 2019. In three cases a single judgment was recently handed down (joined proceeding) by the Court of Appeal. The deadline for an extraordinary appeal by the claimant ends in April 2019. The claims in these proceedings pertain to alleged breaches by UCB Austria of certain duties regarding its function as prospectus controller (i.e. regarding the review of prospectuses for accuracy and completeness), or

that UCB Austria improperly advised certain investors (directly or indirectly) to invest in funds in Madoff-related investments or a combination of these claims.

The Austrian Supreme Court issued 24 final decisions with respect to prospectus liability claims asserted in the legal proceedings. With respect to claims related to the Primeo funds, 14 final Austrian Supreme Court decisions have been issued in favor of UCB Austria. In two cases the Supreme Court did not accept UCB Austria's extraordinary appeal, thus making the decisions of the Court of Appeal in favor of the claimant final and binding. With respect to the Herald fund, the Austrian Supreme Court ruled 5 times with respect to prospectus liability, 2 in favor of UCB Austria and 3 times in favor of the claimants. In a prospectus liability case with Primeo and Herald investments the Austrian Supreme Court ruled in favor of UCB Austria; in two further prospectus liability cases with Primeo and Herald investments the Supreme Court did not accept the claimants' extraordinary appeals, thus rendering binding the decisions of the Court of Appeal in favor of Bank Austria.

While the impact of these decisions on the remaining cases cannot be predicted with certainty, future rulings may be adverse to UCB Austria.

In respect of the Austrian civil proceedings pending as against UCB Austria related to Madoff's matter, UCB Austria has made provisions for an amount considered appropriate to the current risk.

UCB Austria has been named as a defendant in criminal proceedings in Austria concerning the Madoff case on allegations that UCB Austria breached provisions of the Austrian Investment Fund Act as prospectus controller of the Primeo fund; other allegations are related to the level of fees and embezzlement. In the past, parts of the complaints have already been closed. At the date of this Base Prospectus, the criminal proceedings regarding the other allegations are still at the investigation stage and no official indictments against UCB Austria have been brought by the Austrian prosecutor, therefore, it is not possible to estimate the sanctions (if any) that would be imposed on UCB Austria as well as the potential joint liability of UCB Austria.

Certain potential consequences

In addition to the foregoing proceedings and investigations stemming from the Madoff case against the parent company UniCredit S.p.A., its subsidiaries and some of their respective employees and former employees, subject to any applicable limitations on the time by when proceedings must be brought, additional Madoff-related proceedings may be filed in the future in the United States, Austria or elsewhere. Such potential future proceedings could be filed against the parent company UniCredit S.p.A., its subsidiaries, their respective employees or former employees or entities with which the parent company UniCredit S.p.A. is affiliated or may have investments in. The pending or possible future proceedings may have negative consequences for the UniCredit group.

Save as described above, as at the date of this Base Prospectus, it is not possible to estimate reliably the timing and results of the various proceedings, nor determine the level of liability, if any responsibility exists. Save as described above, in compliance with international accounting standards, no provisions have been made for specific risks associated with Madoff related claims and charges.

Alpine Holding GmbH

Alpine Holding GmbH (a limited liability company) undertook a bond offering every year from 2010 to 2012. In 2010 and 2011, UCB Austria acted as joint lead manager, together with another bank. In June/July 2013, Alpine Holding GmbH and Alpine Bau GmbH became insolvent and insolvency proceedings began. Numerous bondholders then started to send letters to the banks involved in issuing the bonds, setting out their claims.

Insofar as UCB Austria is concerned, bondholders based their claims primarily on prospectus liability of the joint lead managers; only in a minority of cases they also claimed an alleged misselling due to bad investment advice. Furthermore, at the date of this Base Prospectus UCB Austria, among other banks, has been named as defendant in civil proceedings initiated by

investors including three class actions filed by the Federal Chamber of Labor (with the claimed amount totaling about €20.26 million). The principal claim is prospectus liability. These civil proceedings are mainly pending in the first instance.

At the date of this Base Prospectus, the Austrian Supreme Court has not issued a final decision with respect to prospectus liability claims against UCB Austria. In addition to the foregoing proceedings against UCB Austria stemming from the Alpine insolvency, additional Alpine-related actions have been threatened and may be filed in the future. The pending or future actions may have negative consequences for UCB Austria. At the date of this Base Prospectus, it is not possible to estimate reliably the timing and results of the various actions, nor determine the level of liability, if any.

In addition, several involved persons have been named as defendants in criminal proceedings in Austria which concern the Alpine bankruptcy case. UCB Austria has joined these proceedings as private party. The criminal proceedings are at the pre-trial stage. Unknown responsible persons of the issuing banks involved were formally also investigated by the public prosecutor's office. In May 2017, the Public Prosecutors Office decided to close the proceedings against this group of persons. Several appeals against this decision were rejected in January 2018, hence the decision is final. Proceedings against the remaining defendants were closed in May 2018. Private parties appealed against this decision and the proceedings are still pending.

Proceedings arising out of the purchase of UCB AG by UniCredit and the related group reorganization

Squeeze-out of UCB AG minority shareholders (Appraisal Proceeding)

In 2008, approximately 300 former minority shareholders of UCB AG filed a request before the District Court of Munich I to have a review of the price paid to them by the parent company UniCredit S.p.A., equal to €38.26 per share, in the context of the squeeze out of minority shareholders ("**Appraisal Proceeding**"). The dispute mainly concerns the valuation of UCB AG, which is the basis for the calculation of the price to be paid to the former minority shareholders. At present the proceeding is pending in the first instance. The District Court of Munich has appointed experts for the valuation of UCB AG at the time of the squeeze-out, who have submitted their opinion in November 2017. The experts have confirmed that the valuation of UCB AG for the purposes of the squeeze-out cash compensation was by and large adequate. The court-appointed experts have, however, identified certain value effects which, in the opinion of the experts, could lead to a value increase of UCB AG's former subsidiaries Bank Austria and certain CEE financial institutions. Against this background, the experts question the appropriateness of the purchase prices paid before the squeeze-out by the parent company UniCredit S.p.A. to UCB AG for UCB Austria and for the said CEE financial institutions. The opinion of the experts does not bind the court. Both the parent company UniCredit S.p.A. and the applicants have submitted comments on the expert opinion to the court, which has asked the court-appointed experts to prepare a supplemental expert opinion on these comments by September 2019. The next oral hearing is scheduled for February 2020. It will then be upon the court of first instance to decide on the request of the minority shareholders based on the expert opinion and the legal issues that are relevant and material to the decision of the court. The parent company UniCredit S.p.A. continues to believe that it has fully complied with applicable law and that the amount paid to the minority shareholders was adequate. It will vigorously defend this position in the ongoing proceedings and has submitted its comments on the expert opinion to the court. The decision of first instance will be subject to appeal. Thus, at this stage, it is not possible to estimate the duration of the proceeding, which might also last for a number of years and could result in the parent company UniCredit S.p.A. having to pay additional cash compensation to the former shareholders. No estimate on the amount in dispute can be made at the current stage of the proceeding.

Squeeze-out of Bank Austria's minority shareholders

In 2008, approximately 70 former minority shareholders in UCB Austria commenced proceedings before the Commercial Court of Vienna claiming that the squeeze-out price paid to them, equal to

€129.4 per share, was inadequate, and asking the court to review the adequacy of the amount paid (Appraisal Proceeding).

The Commercial Court of Vienna referred the case to a panel, called the "Gremium", to investigate the facts of the case in order to review the adequacy of the cash compensation. On 26 June 2018, the Gremium issued its opinion consistent with the opinions of its experts that had been given in December 2011 and May 2013, and which were, in general, positive for the parent company UniCredit S.p.A. The Gremium referred the case back to the Commercial Court of Vienna. The parent company UniCredit S.p.A. submitted its comments to the Court on the Gremium's decision at the end of July 2018 along with other parties. The proceedings will continue before the Commercial Court of Vienna who has ordered the parties to submit additional documents to the court and will decide on the price evaluation and other legal matters. The parent company UniCredit S.p.A., considering the nature of the valuation methods used, believes that the amount paid to the minority shareholders was adequate.

At the date of this Base Prospectus, it is not possible to evaluate the amount under dispute and the possible risk connected with the above described Appraisal Proceeding.

Financial Sanctions matters

In March 2011, UniCredit Bank AG received a subpoena from the District Attorney for New York County ("**DANY**") relating to historical transactions involving certain Iranian entities designated by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and their affiliates. In the subsequent years, DANY, the U.S. Department of Justice ("**DOJ**"), OFAC, the New York State Department of Financial Services ("**DFS**"), and the Board of Governors of the Federal Reserve System and the New York Federal Reserve Bank ("**Fed**") (collectively "**U.S. and New York authorities**") initiated their own investigations respecting historical compliance by UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG (together "**Group**") with applicable U.S. sanctions laws and regulations.

UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG have each cooperated extensively with the U.S. and New York authorities, including conducting their own voluntary investigation of their U.S. dollar payments practices and its historical compliance with applicable U.S. financial sanctions, in the course of which certain historical non-transparent practices were identified. Even before the conclusion of these investigations, the Group initiated substantial and substantive remediation activities relating to policies and procedures, which are ongoing.

On 15 April 2019, UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG reached a resolution with the U.S. and New York authorities regarding these investigations. As part of such resolution, UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG entities have agreed to pay penalties totaling approximately \$1.3 billion and to implement certain remedial policies and procedures. The amount owed by the respective entities is entirely covered by their provisions, and the final penalty amount will not have a material impact on the UniCredit group. No further enforcement actions are expected relating to the subject of the resolved investigation.

Proceedings related to claims for Withholding Tax Credits

On 31 July 2014 the Supervisory Board of UCB AG concluded its internal investigation into the so-called "cum-ex" transactions (the short selling of equities around dividend dates and claims for withholding tax credits on German share dividends) at UCB AG. The findings of the Supervisory Board's investigation indicated that the bank sustained losses due to certain past acts/omissions of individuals.

The Supervisory Board has submitted a claim for compensation against three individual former members of the management board, not seeing reasons to take any action against the members in office at the date of this Base Prospectus. These proceedings are ongoing. UniCredit S.p.A., UCB AG's parent company, supports the decisions taken by the Supervisory Board. In addition, criminal investigations have been conducted against current or former employees of UCB AG by

the Prosecutors in Frankfurt on the Main, Cologne and Munich with the aim of verifying alleged tax evasion offences on their part. UCB AG cooperated - and continues to cooperate - with the aforesaid Prosecutors who investigated offences that include possible tax evasion in connection with cum-ex transactions both for UCB AG's own book as well as for a former customer of UCB AG. Proceedings in Cologne against UCB AG and its former employees were closed in November 2015 with, inter alia, the payment by UCB AG of a fine of €9.8 million. The investigations by the Frankfurt on the Main Prosecutor against UCB AG under section 30 of the Administrative Offences Act (the Ordnungswidrigkeitengesetz) were closed in February 2016 by the payment of a fine of €5 million. The investigation by the Munich Prosecutor against UCB AG was closed as well in April 2017 following the payment of a forfeiture of €5 million. In December 2018, in connection with a separate ongoing investigation against former bank employees by the Cologne prosecutor, UCB AG was informed of the initiation of an additional administrative proceeding regarding "cum-ex" transactions involving Exchange Traded Funds ("**ETF**"). The facts are being examined internally. UCB AG continues to cooperate with the authorities.

The Munich tax authorities are currently performing a regular field audit of UCB AG for the years 2009 to 2012 which inter alia includes review of other transactions in equities around the dividend record date. During these years UCB AG performed, inter alia, securities-lending with different domestic counterparts which inter alia include, but are not limited to, different types of securities transactions around the dividend date. It remains to be clarified whether, and under what circumstances, tax credits can be obtained or taxes refunded with regard to different types of transactions carried out close to the distribution of dividends, and which are the further consequences for the bank in case of different tax treatment. The same applies for the years 2013 until 2015 following the current regular tax audit mentioned above. It cannot be ruled out that UCB AG might be exposed to tax-claims in this respect by relevant tax-offices or third party claims under civil law. UCB AG is in constant communication with relevant Supervisory Authorities and competent tax authorities regarding these matters. UCB AG has made provisions deemed appropriate.

Proceedings relating to certain forms of banking transactions

The UniCredit group is named as a defendant in several proceedings in matters connected to its operations with clients, which are not specific to the UniCredit group, rather affect the financial sector in general.

In this regard, as of 31 December 2018 (i) proceedings against the parent company UniCredit S.p.A. pertaining to compound interest, typical of the Italian market, had a total claimed amount of €1.169 million, mediations included; (ii) proceedings pertaining to derivative products, mainly affecting the Italian market (for which the claimed amount against the parent company UniCredit S.p.A. was €767 million, mediations included) and the German market (for which the claimed amount against UCB AG was €91.8 million); and (iii) proceedings relating to foreign currency loans, mainly affecting the CEE countries (for which the claimed amount was around €44 million).

The proceedings pertaining to compound interest mainly involve damages requests from clients arising from the alleged unlawfulness of the calculation methods of the amount of interest payable in connection with certain banking contracts. Starting from the first years of 2000, there has been a progressive increase in claims brought by the account holders due to the unwinding of the interest payable arisen from the quarterly compound interest. In the course of 2018, the number of claims for refunds/compensation for compound interest did not show particular variations compared to 2017. At the date of this Base Prospectus, the parent company UniCredit S.p.A. has made provisions that it deems appropriate for the risks associated with these claims.

With regard to the litigation connected to derivative products, several financial institutions, including UniCredit group companies, entered into a number of derivative contracts, both with institutional and non-institutional investors. In Germany and in Italy there are a number of pending proceedings against certain Group companies that relate to derivative contracts concluded by both institutional and non-institutional investors. The filing of such litigations affects the financial sector generally and is not specific to the parent company UniCredit S.p.A. and its Group

companies. At the date of this Base Prospectus, it is not possible to assess the full impact of these legal challenges on the Group.

With respect to proceedings relating to foreign currency loans, in the last decade, a significant number of customers in the Central and Eastern Europe area took out loans and mortgages denominated in a foreign currency ("FX"). In a number of instances customers, or consumer associations acting on their behalf, have sought to renegotiate the terms of such FX loans and mortgages, including having the loan principal and associated interest payments redenominated in the local currency at the time that the loan was taken out, and floating rates retrospectively changed to fixed rates. In addition, in a number of countries legislation that impacts FX loans was proposed or implemented. These developments resulted in litigation against subsidiaries of the parent company UniCredit S.p.A. in a number of CEE countries including Croatia, Hungary, Romania, Slovenia and Serbia.

In Croatia, following the implementation in September 2015 of a new law that rewrote the terms of FX loan contracts, a number of these lawsuits were withdrawn as customers took advantage of the benefits of the new law. Zagrebačka Banka ("Zaba") challenged the new law before the Croatian Constitutional Court. On 4 April 2017, the Constitutional Court rejected Zaba's constitutional challenge and no further remedies are available under local laws.

In September 2016, UCB Austria and Zaba initiated a claim against the Republic of Croatia under the Agreement between the Government of the Republic of Austria and the Government of the Republic of Croatia for the promotion and protection of investments in order to recover the losses suffered as a result of amendments in 2015 to the Consumer Lending Act and Credit Institutions Act mandating the conversion of Swiss franc-linked loans into Euro-linked. In the interim, Zaba complied with the provisions of the new law and adjusted accordingly all the respective contracts where the customers requested so. Following a hearing, the arbitral tribunal ruled on part of the Respondent's jurisdictional objections. The arbitral proceedings remain pending.

Medienfonds/closed end funds

Various investors in VIP Medienfonds 4 GmbH & Co. KG to whom the UCB AG issued loans to finance their participation brought legal proceedings against UCB AG. In the context of the conclusion of the loan agreements the plaintiffs claim that an inadequate advice was provided by the bank about the fund structure and the related tax consequences. A settlement was reached with the vast majority of the plaintiffs. An outstanding final decision with respect to the question of UCB AG's liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*) which is pending at the Higher Regional Court of Munich, will affect only a few pending cases.

Furthermore, as at the date of this Base Prospectus, UCB AG is defending lawsuits concerning other closed-end funds. Investors filed lawsuits against UCB AG and claim insufficient advice was provided by the bank within the scope of their investment in closed-end funds. In particular, the investors claim that UCB AG did not or did not fully disclose any refunds made to the bank or they were advised on the basis of an allegedly incorrect prospectus. The questions regarding a correct and sufficient advice to a customer as well as questions regarding the limitation period and thus the success prospects in the proceedings depend on the individual circumstances of the particular case and are therefore difficult to be predicted. As far as these proceedings were disputed, the experience in the past has shown that the deciding courts have largely ruled in favour of UCB AG.

Vanderbilt related litigations

Claims brought or threatened by or on behalf of the State of New Mexico or any of its agencies or funds.

In August 2006, the New Mexico Educational Retirement Board ("ERB") and the New Mexico State Investment Council ("SIC"), both US state funds, invested \$90 million in Vanderbilt Financial, LLC ("VF"), a vehicle sponsored by Vanderbilt Capital Advisors, LLC ("VCA"). VCA

is a subsidiary of Pioneer Investment Management USA Inc., at the time an indirect subsidiary of the parent company UniCredit S.p.A. The purpose of VF was to invest in the equity tranche of various collateralized debt obligations ("**CDOs**") managed primarily by VCA. The equity investments in VF, including those made by the ERB and SIC, became worthless. VF was later liquidated.

Beginning in 2009, several lawsuits were threatened or filed (some of which were later dismissed) on behalf of the State of New Mexico relating to the dealings between VCA and the State of New Mexico. These lawsuits include proceedings launched by a former employee of the State of New Mexico who claimed the right, pursuant to the law of the State of New Mexico, to act as a representative of the State for the losses suffered by the State of New Mexico with regard to investments managed by VCA. In these proceedings, in addition to VCA, Pioneer Investment Management USA Inc., PGAM and the parent company UniCredit S.p.A. were also named as defendants, by virtue of their respective corporate affiliation with VCA, as described in the previous paragraph. In addition, two class actions were launched with regard to VCA on behalf of the public pension fund managed by ERB and the State of New Mexico threatened to launch a case against VCA if its claim was not satisfied. These suits threatened or instigated relate to losses suffered by the ERB and/or SIC on their VF investments, with additional claims threatened in relation to further losses suffered by SIC on its earlier investments in other VCA-managed CDOs. The lawsuits threatened or instigated allege fraud and kickback practices. Damages claimed in the lawsuits filed by or on behalf of the State of New Mexico are computed based on multiples of the original investment, up to a total of \$365 million.

In 2012, VCA reached an agreement with the ERB, SIC and State of New Mexico to settle for the sum of \$24.25 million all claims brought or threatened by or on behalf of the State of New Mexico or any of its agencies or funds. The settlement amount was deposited into escrow at the beginning of 2013. The settlement is contingent on the Court's approval, but that process was temporarily delayed, and the original litigation was stayed, pending the determination by the New Mexico Supreme Court of a legal matter in a lawsuit brought against a different set of defendants in other proceedings. The New Mexico Supreme Court issued its ruling on the awaited legal matter in June 2015 and in December 2015 VCA, the ERB, SIC, and the State of New Mexico renewed their request for Court approval of the settlement. The Court held a hearing on the matter in April 2016 and in June 2017 approved the settlement and directed that the claims against VCA be dismissed. A judgment to that effect was entered in September 2017 and a motion by the former State employee seeking to set aside that judgment was denied by the Court in October 2017. Appeals from the judgment and the subsequent order were taken in October and November 2017 and the settlement cannot be effectuated while the appeal remains pending. If the judgment is upheld on appeal, the escrowed amount will be paid over to the State of New Mexico and VCA, Pioneer Investment Management USA Inc., PGAM and the parent company UniCredit S.p.A. will all be released from all claims that were or could have been brought by or on behalf of the State or any of its agencies or funds.

Divania S.r.l.

In the first half of 2007, Divania S.r.l. (now in bankruptcy) ("**Divania**") filed a suit in the Court of Bari against UniCredit Banca d'Impresa S.p.A. (then UniCredit Corporate Banking S.p.A. and now "**UniCredit S.p.A.**") alleging violations of law and regulation (relating, inter alia, to financial products) in relation to certain rate and currency derivative transactions created between January 2000 and May 2005 first by Credito Italiano S.p.A. and subsequently by UniCredit Banca d'Impresa S.p.A. (now "**UniCredit S.p.A.**"). The plaintiff requests that the contracts be declared non-existent, or failing that, null and void or to be cancelled or terminated, and that UniCredit Banca d'Impresa S.p.A. pay the plaintiff a total of €276.6 million as well as legal fees and interest. It also seeks the nullification of a settlement that the parties reached in 2005 under which Divania had agreed to waive any claims in respect of the transactions.

The parent company UniCredit S.p.A. rejects Divania demands. Without prejudice to its rejection of liability, it maintains that the amount claimed has been calculated by aggregating all the debits

made (for an amount much larger than the actual amount), without taking into account the credits received that significantly reduce the plaintiff's demands. In 2010, the Court-appointed expert witness submitted a report that largely confirms the Bank's position stating that there was a loss on derivatives amounting to about €6,4 million (which would increase to €10,884 million should the out-of-court settlement, challenged by the plaintiff, be judged unlawful and thus null and void).

The expert opinion states that interest should be added in an amount between €4,137 million (contractual rate) and €868,000 (legal rate). On 29 September 2014, the judges reserved their decision. A new expert report was then ordered, which essentially confirmed the conclusions of the previous expert report. At the hearing held on 6 June 2016 the judges reserved again their decision. On 16 January 2017, the Court issued a decision declaring not to be competent to decide on part of the plaintiff's claims and ordered the parent company UniCredit S.p.A. to pay, in favor of Divania's bankruptcy Receiver an overall amount of approximately €7.6 million plus legal interests and part of the expenses. The decision has been appealed. At the first hearing of 29 November 2017, the proceedings were adjourned to 11 October 2019 for the filing of the parties' conclusions.

Two additional lawsuits have also been filed by Divania., (i) one for €68.9 million (which was subsequently increased up to € 80.5 million pursuant to Article 183 of the Code of Civil Procedure); and (ii) a second for €1.6 million.

As for the first case, in May 2016 the Court ordered the parent company UniCredit S.p.A. to pay approximately €12.6 million plus costs. The parent company UniCredit S.p.A. appealed against the decision and at the first hearing the case was adjourned to 22 June 2018 for the filing of detailed conclusions. At the hearing of 22 June, the case was adjourned to 11 October 2019 for the filing of the parties' conclusions.

In respect of the second case, on 26 November 2015, the Court of Bari rejected the original claim of Divania. The judgment has *res judicata* effect.

The parent company UniCredit S.p.A. has made a provision for an amount it deems appropriate to cover the risk of the lawsuit.

Valauret S.A.

In 2004, Valauret S.A. and Hughes de Lasteyrie du Saillant filed a civil claim for losses resulting from the drop in the share price between 2002 and 2003, allegedly caused by earlier fraudulent actions by members of the company's board of directors and others. UCB Austria (as successor to Creditanstalt) was joined as the fourteenth defendant in 2007 on the basis that it was banker to one of the defendants. Valauret S.A. is seeking damages of €129.8 million in addition to legal costs and Hughes de Lasteyrie du Saillant damages of €4.39 million.

In 2006, before the action was extended to UCB Austria, the civil proceedings were stayed following the opening of criminal proceedings by the French State that are ongoing at the date of this Base Prospectus. In December 2008, the civil proceedings were also stayed against UCB Austria. In UCB Austria's opinion, the claim is groundless and at the date of this Base Prospectus no provisions have been made.

I Viaggi del Ventaglio Group (IVV)

In 2011 foreign companies IVV DE MEXICO S.A., TONLE S.A. and the bankruptcy trustee IVV INTERNATIONAL S.A. filed a lawsuit in the Court of Milan for approximately €68 million. In 2014, the bankruptcy trustees of IVV Holding S.r.l. and IVV S.p.A. filed two additional lawsuits in the Court of Milan for €48 million and €170 million, respectively.

The three lawsuits are related. The first and third relate to allegedly unlawful conduct in relation to loans. The second relates to disputed derivative transactions. The parent company UniCredit S.p.A.'s view is that the claims appear to be groundless based on its preliminary analysis. In particular: (i) as far as the first lawsuit is concerned (a claim amounting to approximately €68 million), the parent company UniCredit S.p.A. won in first instance. Respectively, in July 2016

and in September 2016 the plaintiffs filed an appeal against the decision and at the hearing of 16 January 2019 the parties filed their conclusions and the proceeding is in its conclusive phase; (ii) as far as the second lawsuit is concerned (a claim amounting to approximately €48 million), relating mainly to disputed derivative transactions, in 2015, all the evidentiary requests, including the appointment of an expert, have been rejected. On 21 May 2018, the Court of Milan rejected all IVV S.p.A.'s claims by and ordered it to pay costs. The Judge approved the settlement agreement between the Bank and the Bankruptcy Trustee; and (iii) lastly, with regard to the third lawsuit (a claim amounting to approximately €170 million), it is at the date of this Base Prospectus at the evidentiary stage and the requests made by the judge to the court-appointed expert do not seem related to the position of the parent company UniCredit S.p.A. An additional report filed by the court-appointed expert is favourable for the defendants. The case has been interrupted due to the decease of one of the defendants and may be resumed by the plaintiffs by mid- June 2019.

Lawsuit brought by "Paolo Bolici"

In May 2014, the company wholly owned by Paolo Bolici sued the parent company UniCredit S.p.A. in the Court of Rome seeking the return of approximately €12 million for compound interest (including alleged usury component) and €400 million for damages. The company then went bankrupt. The Court of Rome issued the decision on 16 May 2017 rejecting all the claims and ordering the bankruptcy procedure to reimburse the parent company UniCredit S.p.A. with the legal costs. The parent company UniCredit S.p.A. decided not to make provisions. On 17 June 2017 the bankruptcy procedure appealed the decision. The case has been adjourned to 7 December 2021 for the filing of the parties' conclusions.

Mazza Group

The civil lawsuit originates from a criminal proceeding before the Court of Rome for illicit lending transactions of disloyal employees of the parent company UniCredit S.p.A. in favor of certain clients for approximately €84 million. These unlawful credit transactions involve: (i) unlawful supply of funding, (ii) early use of unavailable large sums, (iii) irregular opening of accounts which the employees, in increasingly important roles, facilitated in violation of the regulations and procedures of Banca di Roma S.p.A. (later "UniCredit Banca di Roma S.p.A." and afterwards merged by incorporation into the parent company UniCredit S.p.A.).

In May 2013, certain criminal proceedings - related to acts and offences representatives of a group of companies (the "**Mazza Group**") committed in 2005 with the collaboration of disloyal employees of the parent company UniCredit S.p.A. - came to an end with an exculpatory ruling (no case to answer). The Public Prosecutor and the parent company UniCredit S.p.A. appealed this decision. The appeal proceeding is in its conclusive phase and a judgment is expected by the end of 2019.

At the date of this Base Prospectus two lawsuits are pending for compensation claims against the parent company UniCredit S.p.A.:

- the first filed in June 2014 by the Mazza notary in the Court of Rome, demanding from the parent company UniCredit S.p.A. compensation for damage allegedly suffered following the criminal complaint brought by the former Banca di Roma S.p.A.. The plaintiff makes use of the exculpatory ruling in the criminal proceedings to claim a traumatic experience with repercussions on their health, marriage, social and professional life, with financial, moral, existential and personal injury damages of approximately €15 million. The proceeding is at the evidence collection stage and the hearing for the submission of the parties' conclusion is scheduled for 13 July 2020; and
- the second filed in March 2016 by Como S.r.l. and Camillo Colella in the Court of Rome, demanding damages from the parent company UniCredit S.p.A. in the amount of approximately 379 million. Similarly to the Mazza notary, the plaintiffs complain that the initiatives of the former Banca di Roma S.p.A. in the criminal and civil proceedings, caused financial, moral, existential and personal injury damages to Camillo Colella, as well as damages for the loss of important commercial opportunities, as well as image,

reputational and commercial damage to Como S.r.l. The proceeding is in its conclusive phase.

In the view of the parent company UniCredit S.p.A., these lawsuits currently appear to be unfounded. The parent company UniCredit S.p.A. has made a provision it deems consistent to cover the risk resulting from unlawful credit transactions, which is essentially equal to the residual credit of the parent company UniCredit S.p.A.

So.De.Co. - Nuova Compagnia di Partecipazioni S.p.A.

So.De.Co. S.r.l. (**So.De.Co.**), following to a restructuring transaction by which it acquired the "oil" business from the parent company Nuova Compagnia di Partecipazione S.p.A. (**NCP**), was sold to Ludoil Energy Srl in November 2014.

In March 2016, So.De.Co., then controlled by Ludoil, summoned before the Court of Rome its former directors, NCP, the parent company UniCredit S.p.A. (in its capacity as holding company of NCP) and the external auditors (PricewaterhouseCoopers S.p.A. and Deloitte & Touche S.p.A.) claiming damages of approximately €94 million against the defendants, on a several and joint liability basis allegedly deriving from the failure to quantify, since at least 2010, the statutory capital loss, from the insufficient provisions for charges and risks related to environmental issues, and from the unreasonably high price paid for the acquisition of the "oil" business units and subsidiaries from NCP in the context of the group reorganization of the "oil" business.

The parent company UniCredit S.p.A. has been sued by deducing the unfounded nature of the claim and the absence of the damage complained of. On 9 May 2017, the judge rejected all plaintiffs' requests for evidence collection and scheduled the hearing for filing the conclusions for 12 February 2019.

In November 2017, So.De.Co. served a claim against NCP and former directors on the same matter previously subject to a mediation, which had ended with no agreement between the parties. The first hearing, scheduled for 20 February 2018, was adjourned to 15 January 2019 to allow the renovation of a previously incomplete service of the claim. At such hearing, the case was adjourned to 11 June 2019 before which the parties will have the chance to file evidentiary briefs.

Criminal proceedings

At the date of this Base Prospectus, certain entities within the UniCredit group and certain of its representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as the parent company UniCredit S.p.A. is aware, are under investigation by the competent authorities with regard to various cases linked to banking transactions, including, specifically, in Italy, the offence pursuant to Article 644 (usury) of the Criminal Code.

At the date of this Base Prospectus, these criminal proceedings have not had significant negative impact on the operating results and capital and financial position of the parent company UniCredit S.p.A. and/or the Group, however there is a risk that, if the parent company UniCredit S.p.A. and/or other UniCredit group entities or their representatives (including those no longer in office) were to be convicted, these events could have an impact on the reputation of the parent company UniCredit S.p.A. and/or the UniCredit group.

On 14 December 2018, the Public Prosecutor of the Court of Tempio Pausania dismissed the parent company UniCredit S.p.A. from the criminal proceedings it had initiated, as the alleged violation of Article 24-ter of Legislative Decree 231/2001 became time-barred.

Labour-Related Litigation

UniCredit is involved in employment law disputes. In general, provisions have been made, judged by UniCredit to be adequate, for all employment law disputes to cover any potential disbursements and in any event UniCredit does not believe that any liabilities related to the outcome of the pending proceedings could have a significant impact on its economic and/or financial position.

Lawsuits filed against UniCredit by members of the former Cassa di Risparmio di Roma Fund

These lawsuits, having been won in earlier proceedings by UniCredit, hang on appeal cases brought before the relevant courts of appeal and the Court of Cassation in which the main claim is a request that the funding levels of the former Cassa di Risparmio di Roma Fund be restored and that the individual social security accounts of each member be assessed and quantified. As at 31 December 2018, with reference to the main claim, the relief sought is estimated at €384 million. No provisions were made as these actions are considered to be unfounded.

Proceedings Related to Tax Matters

Proceedings before Italian Tax Authorities

As at the date of this Base Prospectus, there are tax proceedings involving counterclaims pending in relation to UniCredit and other companies belonging to the UniCredit Group, Italian perimeter. As at 31 December 2018, there were 486 tax disputes for an overall amount equal to €275,14 million, net of disputes settled which are referred to below.

As of 31 December 2018 the total amount of provisions for tax risks amounted to €182,13 million (including provisions for legal expenses).

Pending cases arising during the period

During 2018 UniCredit S.p.A. and certain controlled companies have been served some deeds among which the most relevant are reported:

- nine notices of assessment, for a total amount of €4.9 million, served with regard to registration tax on guarantees referred to loans subject to the substitute tax provided for by D.P.R. 601/1973. Against all the notices of assessment the bank has filed claims with the tax court and has requested the cancellation to the Tax Authorities. As of December 31, 2018, the Tax Authorities have cancelled all the notices of assessment;
- a notice of assessment, served to UniCredit S.p.A. as the consolidating entity for tax purposes, regarding IRES 2013 referred to Pioneer Investment Management S.G.R.p.A., with which the Tax Authorities have challenged transfer pricing related items, similarly to what happened with respect to the fiscal years from 2006 to 2012. The higher IRES tax requested is equal to €4.4 million, plus interest, and no penalty has been applied since the Tax Authorities have expressly recognized the compliance with the transfer pricing documentation regime;
- a deed referred to the fiscal monitoring regime, with which an administrative penalty regarding equal to €1 million has been issued which, according to the applicable law, can be defined by means of the payment of €0.36 million;
- in September 2018 the Italian Customs notified to Nuova Compagnia di Partecipazioni S.p.A. and to So.De.Co. S.r.l., a company previously controlled, a tax audit report referred to alleged violations regarding VAT and excises; the amount which can be potentially referred to So.De.Co. S.r.l., limited to joint liability for excises allegedly unpaid, is equal to €7.5 million, plus penalties (which will be determined subsequently by the competent Customs Office). No further deed has been notified by the Tax Authorities.

Moreover:

- to UniCredit Bank A.G. - Italian branch, in October 2018, after a tax audit regarding 2012 and 2013, the Tax Authorities have notified a tax audit report regarding IRES, IRAP and VAT. The remarks concerning IRES and IRAP, referred to alleged violations regarding transfer pricing, have been defined by means an out of Court settlement. In comparison with a higher taxable base assessed equal to €9.5 million (for the two fiscal years), the higher taxable base defined is equal to €5.9 million (for the two fiscal years). Therefore, the company paid higher IRES and IRAP taxes equal to €2.4 million, plus interest, while no administrative penalty has been applied since, also in this case, the Tax Authorities have expressly recognized the compliance with the transfer pricing documentation regime. As for VAT, the remarks arising from the tax audit report are referred to the effects of the decision no. C-7/13 (Skandia) of the EUCJ and the higher tax assessed amounts

to, respectively, €5.5 million for 2013 and €6 million for 2014. In December 2018 the Tax Authorities served a notice of assessment for VAT 2013, bearing, in addition to the higher tax of €5.5 million, also administrative penalties, equal to €6.2 million, and interest;

- to UniCredit Services S.C.p.A. (formerly UniCredit Business Integrated Solutions S.C.p.A.) the Tax Authorities notified a questionnaire regarding transfer pricing for 2013;
- to UniCredit S.p.A. the Tax Authorities notified a questionnaire regarding the tax treatment of dividend paid by Banca d'Italia in 2013 and 2014.

All the requests of information have been answered within the due date indicated by the Tax Authorities.

Updates on pending disputes and tax audits

As for 2018, the following information is reported:

- with respect to the registration tax allegedly due for the registration of the rulings that had settled a number of opposition proceedings regarding the liability status of the companies of the "**Costanzo Group**", the Tax Authorities have recognized as partly not due the registration tax requested, for a total amount of €8.95 million. Therefore, the total value of all the litigations is reduced to €18.95 million. In addition the second Degree Tax Court of Catania has issued a decision in favor of the bank relating to a notice of assessment of €0.23 million. Currently, all the litigations are pending and, in one case, the Tax Authorities filed a claim with the Supreme Court; with respect to this litigation, the bank has challenged the claim of the Tax Authorities;
- in the financial statements as of December 31, 2017, a favorable decision, definitive, has been mentioned, which had cancelled the notices of assessment served to UniCredit Leasing S.p.A. for IRES and VAT 2005 (total value €120 million). As a consequence, the Tax Authorities have cancelled also the notice of assessment served to UniCredit S.p.A. for IRES 2005 (as the consolidating company for tax purposes), for a total value of €19 million;
- in 2017 the Tax Authorities served to UniCredit S.p.A. a notice of assessment referred to the company Dicembre 2007 S.p.A., liquidated, of which UniCredit S.p.A. was a shareholder. The deed refers to the allegedly incorrect application of the participation exemption regime for the purposes of IRES due for 2011. The total amount requested is equal to €14.6 million, plus interest (€7.7 million for higher IRES and €6.9 million for penalties) and it has been requested jointly to all the former shareholders. UniCredit S.p.A. is liable up to 46.67% of the higher sums requested; therefore, the share referred to UniCredit S.p.A. is equal to €6.9 million. The company has filed a claim with the Tax Court, which has cancelled the notice of assessment. The Tax Authorities have filed an appeal;
- with respect to UniCredit S.p.A. the Italian Supreme Court issued two decisions relating to the application of higher IRAP tax rate for the Region Veneto, for 2004. The litigation arises from the increase of 1% of the IRAP tax rate, applicable to banks and financial companies, provided for by the Region Veneto for 2002 and subsequent years. Such increase has given rise to the requests of payment of the higher tax and against such requests of payment the company filed claims with the Tax Courts. In general terms, the Supreme Court has, initially, ruled that the aforementioned increase was not legitimate, due to a violation of the general prohibition of the increase of the regional IRAP rates provided for by Law 289/2002; subsequently, the Court changed its interpretation, stating that the increase is legitimate only up to 0.5%, since such value should be grounded in the founding Law of IRAP tax. The aforementioned two decisions have confirmed the latter interpretation, however referring the litigations to the second degree Tax Court for additional factual inquiries. The total value of such litigations is equal to €3.2 million;
- moreover, the Supreme Court has definitively ruled in favor of the bank, with respect to a notice of assessment regarding registration tax on a decision that settled an opposition proceeding regarding the liability status of a company. The notice of assessment has been entirely canceled, for a total amount of €2 million;

- again, the Supreme Court has issued a favorable decision regarding a VAT assessment for 2000. The value of the litigation is equal to €0.5 million;
- finally, the Supreme Court has issued a decision with which it has referred the parties to the second degree Tax Court, with respect to a litigation regarding the 1984 IRPEG tax credit pertaining to former Banco di Sicilia. The refund of this credit has been requested by Banco di Sicilia with respect to the former Cassa Centrale di Risparmio Vittorio Emanuele per le Province Siciliane, a company of which Banco di Sicilia had acquired the business activity. In particular, the decision pertains to the case in which the taxpayer has filed a tax return requesting the refund of a tax credit and, subsequently, the Tax Authorities have served a notice of assessment (thus increasing the taxable income reported) against which the taxpayer has filed a claim, giving rise to a litigation. According to the Court, if the taxpayer benefitted from the tax amnesty, provided for by Law 289/2002, in order to define such litigation, the definition should imply the full acceptance of the assessment and therefore, the taxpayer should be no more entitled to receive the tax credit. In this case, the Court has referred the parties to the second degree Tax Court for further factual inquiries. The value of the litigation is equal to €69 million (including principal and interest). It should be added that the litigation regarding the notice of assessment, defined by means of the tax amnesty, was referred to higher IRPEG tax equal to €4.5 million, in comparison to a tax credit equal to €25.6 million (for principal). With reference to risks arising from this litigation, adequate provisions have been posted in the financial statements
- UniCredit Leasing S.p.A. has settled out of court several notices of assessment regarding VAT and IRAP for the fiscal years from 2010 to 2012. In comparison to a total amount requested of €22.8 million (plus interest) pursuant to the aforementioned settlements the company paid a total amount of €2.6 million (plus interest).

Proceedings connected with Supervisory Authority Measures

The UniCredit Group is subject to complex regulation and supervision by, *inter alia*, the Bank of Italy, CONSOB, the EBA, the ECB within the European System of Central Banks (ESCB), as well as other local supervisory authorities. In this context, the UniCredit Group is subject to normal supervision by the competent authorities. Some supervisory actions have resulted in investigations and charges of alleged irregularities that are in progress as at the date of this Base Prospectus. The Group has acted to prove the regularity of its operations and does not believe that these proceedings could have negative consequences for the business of the UniCredit Group.

Italy

Bank of Italy Inspections:

From 2011 until the date of this Base Prospectus, Bank of Italy, under the scope of the above-mentioned supervisory activities, carried out investigations and verification/validation of internal models (Counterparty Credit Risk, VaR, IRC and SVaR, AMA Model). The inspections involved the following areas: governance, management and control of credit risk with special reference to small and medium-sized enterprises (including the aspects related to transparency, usury and money laundering); transparency and fairness in customer relationships; governance, management and control of liquidity risk and interest rate risk at consolidated level with a similar parallel initiative of the BaFin; adequacy of the Group's information and back office systems, and related follow-up (in conjunction with BaFin and the German Central Bank (**Bundesbank**)); management and coordination in the Finance division (CIB Markets); adequacy of the value adjustments for non-performing, doubtful and restructured loans; verification of the Group's accounting and administrative processes with special reference to information flows for the production of the consolidated financial statements; remuneration and incentive policies and practices; compliance with regulations for combating money laundering (with special reference to the obligations of adequate checks on customers in the business sector); the functionality of the organisational structure for the management of claims in the Italian component of the Group.

As at the date of this Base Prospectus, all above-mentioned inspections as well as the remedy actions listed in the dedicated action plans are all concluded.

With regard to the investigations conducted: (i) in 2011, into the subjects of governance, management and control of credit risk with special reference to small and medium-sized enterprises (including aspects relating to transparency, usury and anti-money laundering); (ii) in 2012, on the matter of transparency and correctness in relations with customers, the Bank of Italy discovered irregularities with regard to which, pursuant to Article 144 of the Italian Banking Act, monetary administrative fines were imposed on several company representatives⁶.

In April 2016, Bank of Italy began looking into the "Remuneration methods of loans and overdrafts" at UniCredit, which was concluded at the end of May 2016. The Bank of Italy formulated its observations during the Board of Directors' meeting held on 15 December 2016. The supervisory authority highlighted several shortcomings, already, to a great extent, addressed by UniCredit and, more specifically, relating to: (i) the complete inclusion of the provisions on loans with the related integration of corporate regulations; (ii) the criterion for calculating the daily available balance; (iii) the reasons for transactions exempt from fast credit processing fees (CIV); and (iv) the structure of ex-post checks. On 15 February 2017, UniCredit provided the Bank of Italy with exhaustive answers, fully taking into account the corrective measures that have been and/or will be implemented by June 2019.

In December 2016, Bank of Italy launched an inspection related to "Transparency" of various branches in UniCredit's domestic network. The inspection was concluded in April 2017 and the final results were notified to UniCredit in August 2017. The regulatory authority highlighted shortcomings mainly related to: (i) management of processes related to unilateral amendment of contractual conditions; (ii) application of less favourable contractual conditions; (iii) early repayment of loans or subrogation; (iv) criteria for drafting transparency documents; (v) delay in fulfilling clients requests of documents. UniCredit sent its reply and action plan to the regulator in October 2017. The remedy actions were completed by December 2018 according with the action plan.

In February 2017, the Bank of Italy launched an inspection related to "Governance, Operational Risk, Capital and AML" of UniCredit's subsidiary Cordusio Fiduciaria S.p.A., concluded in April 2017. The results were notified in June 2017, highlighting shortcomings in Compliance area and AML. Cordusio Fiduciaria sent its reply and action plan in August 2017. The remedy actions will be completed by December 2019.

In June 2017, the Bank of Italy launched an inspection related to "Procedures to determine and enhance due diligence in respect of PEP's" of all the Italian banking companies of the Group, concluded in July 2017. The final results were notified in September 2017, highlighting some areas of improvement: identification, outline and due diligence checks of PEPs. UniCredit sent an action plan to the regulator in December 2017. The remedy actions were completed by December 2018.

In November 2017 the Bank of Italy launched an inspection related to "Transparency and Usury", concluded in February 2018. The final results were notified in June 2018 highlighting shortcomings mainly related to: (i) preparation of some unilateral modifications of contract conditions, (ii) product approval process, and (iii) internal and compliance controls. UniCredit sent an action plan to the Regulator in September 2018. The remedy actions are due to be completed by December 2019.

In February 2019 the Bank of Italy launched an inspection related to "AML Anti Money Laundering". The on-site phase is currently ongoing.

⁶ Surrounding the "governance, management and control of credit risk", this involves three executives, at the time of events working in the Group Risk Management unit, fined for a total amount of €91,000. Regarding "transparency and correctness in relations with customers", this involves four executives, at the time of the events working in Legal & Compliance and Commercial Banking Italy, fined for a total amount of €116,000. In both cases the sanctions that the Bank paid were imposed through the regulation in force at the time, Article 145, paragraph 10 of the Italian Banking Act, which requires that UniCredit is jointly and severally liable for the payment and obliged to exercise the right of recourse to those liable.

ECB Inspections:

In 2014, the ECB and local regulatory authorities launched a "Comprehensive Assessment" with regard to the UniCredit Group, in view of the SSM. The final result, disclosed in 26 October 2014, showed a capital level higher than the minimum requirement expected under both the base and the stressed scenarios.

Under the scope of ordinary prudential supervision activities, in 2015 the ECB carried out investigations into various topics, amongst which: (i) the management of liquidity risk, ILAAP and treasury at UniCredit, UCB AG and UCB Austria, (ii) leasing activities in Italy, Austria and Bulgaria, (iii) the reporting of credit risk (the interpretation of forbearance and Financial Reporting – FinRep) in UniCredit, UCB AG and UCB Austria. The remedy actions were concluded for all the inspections, except the one dedicated to leasing activities in Italy, Austria and Bulgaria. With respect to this latter inspection, the supervisory authority – while recognising the positive developments in recent years and the significant improvement in the quality of provision in all geographical areas examined – highlighted for the Italian company several weaknesses relating to the calculation of the time value, the classification under the scope of the non-performing loans portfolio and support of the IT systems, in particular for monitoring real estate assets and collateral management. With special reference to the calculation of the time value, the regulatory authority found weaknesses mainly relating to the calculation of estimates, recommending a review of these estimates on the basis of updated historical series. As provided for in the plan, this review was carried out by 31 December 2016. For the foreign subsidiaries examined (Austria, Bulgaria and Hungary), suggestions were formulated to improve certain internal processes, although no issues were raised on the management of the credit portfolio. The action plan was prepared in relation to the recommendations and shared with the ECB during the closing meeting and was officially sent for its review. The implementation of all planned actions was completed by December 2017. The ECB required then an additional remedy action with regard to the IT component, which were completed by December 2018.

At the end of January 2016, the ECB launched an inspection into the "Capital position calculation accuracy" in the Group also relating to Group-wide credit models. In December 2016, UniCredit presented to and discussed with the ECB possible measures and deadlines identified by the bank in order to remedy the problems identified during the inspection, in particular concerning the processes for calculation of capital and of RWA. In March 2017, UniCredit received the official notice of the findings from ECB, highlighting also that the impact of the findings was already incorporated into the 2016-2019 Strategic Plan. The consequential action plan has been sent to the ECB in April 2017. The remedy actions were concluded in March 2018.

In February 2016, the ECB also launched an inspection on the subject of the "Management of distressed assets/bad loans", as far as the Italian perimeter is concerned, for which the inspection stage at UniCredit was concluded in May 2016. In November 2016 UniCredit received from the ECB notice of the findings emerged following the said investigation. In particular the ECB highlighted possible areas for improvement with regard to organisation, classification, monitoring, recovery, provision policy and management of guarantees, and advised UniCredit to continue with the activities – that the supervisory authority deems essential – already undertaken to remedy the findings. In December 2016, UniCredit sent the ECB its action plan, which contains the following: (i) the measures it intends to implement in order to remedy the shortcomings identified during the inspection and (ii) the deadline for achieving the objectives agreed on with the ECB. The actions planned, were concluded by October 2018.

In June 2016, the ECB launched an investigation into "Market Risk" models (VaR, SVaR, income statement data, pricing models, managerial and reporting processes), which was concluded in July 2016. In March 2017, UniCredit was notified of the findings, highlighting the following areas of improvement: (i) policies harmonization and guidelines ruling IPV processes and monitoring of equity volatility – FX Swaption; (ii) implementation of managerial P&L; (iii) pricing and risk models implementation; (iv) increase historical data base to improve SVaR calibration; (v) introduction of common ruling on Group-wide basis for performing data quality checks and VaR

variation; and (vi) implementing SVLV and LGM models validation to grant best practice model validation. On 14 April 2017, UniCredit delivered the action plan to the ECB. The remedy actions were concluded by June 2018.

In September 2016, ECB launched an inspection on "IRRBB management and risk control system", concluded in December 2016. In June 2017 UniCredit was notified of the findings, highlighting the areas of improvement: Group-wide Interest Rate Risk in the Banking Book management and control. On 12 September 2017, UniCredit delivered the action plan to the ECB. The remedy actions will be concluded by March 2020.

In November 2016, the ECB launched an inspection into "Governance and RAF" (Risk Appetite Framework), which was concluded in February 2017. In June 2017, UniCredit was notified of the findings (including the results of the Enhanced Thematic Review on internal governance arrangements), highlighting the following areas of improvement: (i) governance strengthening; (ii) definition of a specific indicator on reputational risk and liquidity soundness monitoring; (iii) implementing risk assessment process in respect of related parties transactions; (iv) improve Legal and Control functions in respect to CIB transactions. On 4 July 2017, UniCredit delivered the action plan to the ECB. The remedy actions were concluded by September 2018.

In November 2016, the ECB launched an inspection into the "Business Model and Profitability – Funding transfer price", which was concluded in March 2017. In October 2017, UniCredit was notified of the findings of the inspection, revealing areas of improvement in the liquidity risk management and controls. On 3 November 2017, UniCredit delivered the action plan to the ECB. The remedy actions were concluded by December 2018.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in March 2017, the ECB announced an inspection related to "Collateral, provisioning and securitization" of the Group. The inspection was launched in April 2017 and concluded in July 2017. UniCredit was notified of the findings of the inspection on 8 December 2017, highlighting shortcomings related to: (i) servicing process structure in UniCredit Bank Austria AG; (ii) transactions assessment costs; (iii) commensurate risk transfer assessment; (iv) IT framework. On 24 January 2018, UniCredit delivered the action plan to the ECB. The remedy actions were concluded by March 2019.

In May 2017, the ECB provided UniCredit with the results of the Thematic Review of the risk data aggregation capabilities and the risk reporting practices based on BCBS239 principles. The ECB found certain shortcomings, including inter alia governance and data reconciliation, at the UniCredit Group level. UniCredit provided at the end of September 2017 an action plan to address the ECB's findings. The remedy actions will be concluded by June 2019.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in May 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD, CCF/EAD)", with particular reference to: Retail secured by real estate non SME. The inspection was launched in July 2017 and concluded in September 2017. The final report was released in December 2017. The final ECB recommendation letter was received in August 2018. UniCredit provided a dedicated action plan in February 2018. The inspection did not report blocking criticalities A limitation linked to missing factor within the LGD model was raised.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in June 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Market risk (IRC, VaR, SVaR)," with particular reference to: Commodities risk, Debt instruments general risk, Debt instruments specific risk, Equity general risk, Equity specific risk, Forex risk. The inspection was launched in September 2017 and concluded in December 2017. The final ECB recommendation letter was received in January 2019. UniCredit provided ECB with a dedicated action plan in February 2019.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in July 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD)", with particular reference to: Corporate SME including the assessment of an approval

of material change related to PD and LGD for Corporate SME. The inspection was launched in October 2017 and concluded in February 2018. The final ECB recommendation letter was received in January 2019. UniCredit provided a dedicated action plan in February 2019.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in September 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD)", with particular reference to: Retail other SME, including an assessment of an approval of material change related to Credit risk (PD) for Retail other SME. The inspection was launched in November 2017 and concluded in March 2018. The final results were notified in May 2018. Upon receipt of ECB recommendation letter in January 2019, UniCredit provided a dedicated action plan in February 2019.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in September 2018 the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Counterparty Credit Risk" for the risk category "All-IMM", including follow-up checking the remediation of previous IMI's findings. The inspection spanned from October until December 2018 and the draft assessment report was received on April 10th 2019.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on MNC and Sovereign (PD and LGD models), The inspection was launched on January 21, 2019, it is currently ongoing and it is expected to end in April 2019.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on Banks PD/LGD models and Group Wide EAD model, including the assessment of material model change only for GW EAD model. The inspection will be launched on May 6th, 2019 and it is expected to end in July 2019.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on GLOBAL PROJECT FINANCE (GPF) PD/LGD models. The inspection will be launched on May 21st, 2019 and it is expected to end in July 2019.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in August 2017, the ECB announced an inspection related to "IT risk" of UniCredit Group. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, mainly highlighting areas of improvement on some IT access rights processes. UniCredit delivered the action plan to ECB in July 2019. The remedy actions will be concluded by December 2019.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in February 2018 the ECB announced an inspection related to "Internal Governance – Compliance Function" of the UniCredit Group. The inspection was launched in April 2018 and concluded in July 2018. The final results were notified in October 2018, mainly highlighting areas of improvement on: (i) compliance oversight, (ii) compliance monitoring, (iii) launch of new products, (iv) monitoring of the consumer protection area. The dedicated action plan was delivered to ECB in January 2019. The remedy actions will be concluded in December 2019.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in March 2018 the ECB announced an inspection related to "Market Risk Framework, Policies and Procedures", with particular reference to CEE countries. The inspection was launched in April 2018 and concluded in June 2018. The final results were notified in November 2018, highlighting some areas of improvement on: (i) governance and organization, (ii) risk strategy, limitation and management process, (iii) risk management in terms of Pillar I and Pillar II. UniCredit delivered the dedicated action plan to ECB in March 2019. The remedy actions will be completed by December 2019.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in March 2018 the ECB announced an inspection related to "Credit Quality Review – Retail & SME-Portfolios" of UniCredit S.p.A. and subsidiaries in Italy. The inspection was launched June 2018 and concluded in October 2018. The final results were notified in March 2019, highlighting some areas of improvement: (i) credit classification, (ii) forbearance granting and provisioning processes. UniCredit has already started a remediation plan.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection dedicated to "Business Model". The inspection was launched in September 2018 and concluded in December 2018. The final results have not yet been notified.

As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection dedicated to "IT Services". The inspection was launched in November 2018 and concluded in March 2019. The final results have not yet been notified.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Information Security". The inspection will start in May 2019.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Credit Lending Processing, Underwriting Standards and Delegations". The inspection will start in May 2019.

As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Business Model CIB". The inspection will start in June 2019.

AGCM Inspections:

In December 2012, the AGCM launched proceedings against UniCredit, at the same time requesting information relating to alleged unfair commercial practices with regard to the publicity campaigns involving the "Conto Risparmio Sicuro" deposit account. The proceedings led, in July 2013, to the imposing of a monetary administrative fine of €250,000. UniCredit appealed at the TAR against the AGCM's fine. As at the date of this Base Prospectus, the proceedings are still pending.

In April 2016, the AGCM announced the extension to UniCredit (as well as to another ten banks) of the I/794 ABI/SEDA proceedings launched in January 2016 with regard to the ABI, aimed at confirming the existence of alleged concerted practices with reference to the SEDA.

On 28 April 2017, the AGCM issued a final notice whereby it confirmed that the practices carried out by the ABI, UniCredit and the other banks in connection with the adoption of the SEDA service model of compensation constituted an anti-competitive practice and therefore a violation of European competition regulations. With such notice, the AGCM ordered the parties to cease the infringement, submit a report evidencing the relevant measures adopted by 1 January 2018 to the AGCM, and refrain from enacting similar practices in the future. Given the fact that the infringements were minor in light of the legislative framework, the AGCM did not impose any monetary or administrative sanctions against UniCredit (or the other ten banks) also in consideration of the fact that, in the course of the proceeding, the ABI and the banks proposed a redefined SEDA service remuneration model which, if correctly implemented by the banks, is expected to decrease the current SEDA costs by half, which benefits the enterprises utilizing the service and, ultimately, the end-users of the utilities. On 1 February 2018, the AGCM communicated that it examined the compliance report relating to the proceeding in question concerning the SEDA service and, on the basis of the information presented therein, considered the procedures put in place in line with the measures indicated in the provision closing of the preliminary investigation.

In connection with the proposed new remuneration model for the SEDA service, two possible further risk factors can be envisaged, namely; (a) the economic risk relating to possible lower earnings from the service, given that the proposed new remuneration structure is expected to

involve lower levels compared to the current ones; and (b) economic risk relating to the costs of the adjustment of the IT procedures that will be necessary for the new remuneration structure. In addition, in light of the AGCM final notice, there is also the risk of claims against UniCredit in civil court by parties seeking damages for anti-competitive behaviour. In August 2016, UniCredit decided to appeal the AGCM decision at the TAR (the Italian regional court). As at the date of this Base Prospectus, the appeal filed *vis-à-vis* the regional court is still pending.

In April 2017, the AGCM launched proceedings against UniCredit (and to two more banks), at the same time requesting information, relating to alleged commercial practice concerning the compound capitalization of interest (so called *anatocismo*). In November 2017, the AGCM imposed pecuniary administrative penalties against UniCredit and other banks (€5 million applied to UniCredit). UniCredit decided to appeal the AGCM decision at the TAR. At the date of this Base Prospectus the appeal filed *vis-à-vis* the regional court is still pending.

In April 2017, the AGCM extended to UniCredit (and to one other bank) the proceeding opened in January 2017 against IDB S.p.A. and IDB Intermediazioni S.r.l. In October 2017, the AGCM imposed pecuniary administrative penalties against the parties (€4 million against UniCredit), for an alleged unfair commercial practice relating to investment in diamonds. UniCredit decided to appeal the AGCM decision at the TAR. On November 14th, 2018, TAR rejected the appeal. UniCredit appealed the TAR decision before "*Consiglio di Stato*" (Supreme Administrative Court). As of the date the proceedings are still pending.

European Commission

On 31 January 2019 UniCredit received a Statement of Objections from the European Commission referring to the investigation by the European Commission of a suspected violation of antitrust rules in relation to European government bonds. The subject matter of the investigation extends to certain periods from 2007 to 2012, and includes alleged activities by one of UniCredit's subsidiaries in a part of this period.

The Statement of Objections does not prejudice the outcome of the proceeding; should the Commission conclude that there is sufficient evidence of an infringement, a decision prohibiting the conduct and imposing a fine could be adopted, with any fine subject to a statutory maximum of 10% of company's annual worldwide turnover.

UniCredit had access to the entirety of the European Commission's file on the investigation from 15 February 2019 onwards. As a result of the assessment of the files, the Bank regards it no longer remote but possible, even though not likely, that a cash outflow might be required to fulfill a potential fine arising from the outcome of the investigation. On the basis of the current information, it is not possible to reliably estimate the amount of any potential fine at the present date.

The deadline for UniCredit's response to the raised objections has been set for 29 April and is subject to possible extensions at the Commission's discretion. Following any response to Statements of objections the European Commission can grant the parties the opportunity of an oral hearing. At this time it cannot be assessed whether and when an oral hearing will take place. There is no legal deadline for the Commission to complete antitrust inquiries.

Germany

In Germany various authorities exercise supervisory activities over UCB AG.

The main authorities are the BaFin and the Bundesbank, and from 4 November 2014, responsibility for Banking Supervision was transferred from BaFin to the ECB under the scope of the SSM.

If there are any findings during the inspections conducted by these authorities, UCB AG will implement the corrective measures in compliance with the mitigation plans and the time scales agreed with the authorities and provide these authorities with information about the implementation status of the corrective measures on a quarterly basis or when requested.

In 2013, UCB AG was contacted by the U.S. Commodity Futures Exchange Commission, the UK Financial Conduct Authority (FCA) and BaFin under the scope of an investigation aimed at verifying a possible market manipulation of exchange rates (FX), specifically the benchmark FX rate published by Reuters. UCB AG launched an internal investigation conducted by the Internal Audit Department of UCB AG; this investigation did not reveal any evidence of involvement by UCB AG in the manipulation of the benchmark FX. At the date of this Base Prospectus, UCB AG did not have further requests from the authorities involved.

In 2015, the ECB conducted three inspections at UCB AG involving (i) the Compliance function of UCB AG with regard to the requirements of the risk management regulations (*MaRisk*); (ii) the "Credit risk management of the loan portfolio of Financial Institutions, Banks and sovereign entities ("FIBS"); and (iii) the "Quality of internal and external reporting". In response to the ECB findings, remedial actions in each of these areas were completed between June and September 2017.

Specifically, with regard to the inspection of the UCB AG Compliance function aimed at checking the operation and adequacy of internal procedures, processes and resources employed (*MaRisk*), UCB AG prepared a mitigation plan and sent it to the ECB. All the remedial actions were completed by September 2017.

Lastly, as far as the "Quality of internal and external reporting" is concerned, the ECB looked into the Financial Reporting Framework (FINREP) and the Common Reporting Framework (COREP). The mitigation actions were completed by June 2017.

In February 2016, the ECB launched an inspection involving UCB AG's corporate portfolio management aimed at verifying the adequacy of the organizational structure, internal procedures and processes, as well as the management of the Corporate portfolio's credit risk for the sound and prudent management of the credit institution. The inspection was concluded in April 2016. The ECB notified UCBAG of the findings in December 2016, highlighting the following areas of improvement: (i) monitoring process and information flow between Risk Management and monitoring units; (ii) rating model monitoring, development and validation; (iii) risks and provisions guidelines implementation; and (iv) bulk risk information to the board. The remediation actions were completed by March 2018.

In September 2016, the ECB launched an inspection on "Governance structure and business organization of the foreign branches of UCB AG", which was concluded in December 2016. In July 2017, UCB AG was notified of the findings of the inspection, highlighting the following areas of improvement: (i) organizational set up and guidelines; (ii) internal reporting; (iii) outsourcing. On 11 August 2017 delivered the action plan to the ECB. The remedy actions were concluded by March 2019.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in May 2017, the ECB announced an inspection related to "Business model and profitability" of UniCredit subsidiaries UCB AG and UniCredit Luxembourg SA. The inspection was launched in May and concluded in July 2017. The final results were notified in December 2017, highlighting some areas of improvement: (i) strategic planning and budgeting process; (ii) cost cutting and fte reduction strategy; (iii) ICT strategy; (iv) organisational set-up and guidelines. In March 2018 UCB AG sent the action plan to the regulator. The remedy actions were concluded by March 2019.

Austria

UCB Austria is subject to regulation by the CRR and the Austrian Consolidated Banking Act (*Bankwesengesetz, BWG*) which transposes the CRD IV into Austrian law.

From 4 November 2014, responsibility for banking supervision was transferred from the Financial Market Authority (*Finanzmarktaufsicht – "FMA"*) to the ECB under the scope of the SSM.

At the end of 2014, the OeNB launched an on-site investigation into the management of participatory risk. Activities were concluded in December 2014 and in March 2015 the report was published, which highlighted findings of a methodological nature in four main areas – adequacy of

UCB Austria's capital at an individual level, methodological aspects of the ICAAP model, determining the price of intra-group funds and management of the results for CEE subsidiaries. UCB Austria prepared an action plan and sent it to the OeNB in April 2015. At the end of 2015, following the recommendations drawn up by the ECB which confirmed the findings of the OeNB, UCB Austria made changes to the action plan previously agreed. The mitigation actions requested involved the findings with regard to capital adequacy, methodological aspects of the ICAAP model and determining the price of intra-group funds, and were correctly implemented in compliance with the plan agreed with the ECB.

In March 2015, the ECB delegated an inspection to the OeNB of the risks relating to FX retail loans. This inspection was concluded in June 2015 and the findings were issued in October 2015, confirming the existence of an action plan undertaken by UCB Austria which the ECB was notified of. The status of the actions is reported to the ECB on a quarterly basis. All the mitigation actions aimed at, among other things, the stress testing methods, the FX retail loans strategy, FX portfolio reporting and communications with customers, were implemented in compliance with the plan.

In May 2017, the Austrian Financial Reporting Enforcement Panel launched, on behalf of FMA, an inspection of the UCB Austria Consolidated Financial Statement 2016 and of the HY Financial Report 2016. The inspection was closed without findings.

In September 2017, the FMA completed an on-site inspection of the UCB Austria's overall AML framework, including but not limited to all AML and KYC related processes and procedures as well as the implemented IT solutions and all other AML related activities (e.g. trainings) based on samples. The final inspection report was received on February 2018. The report consists of seven Findings. An Action Plan was set-up and provided to FMA. As of the date of this Document four remedy actions have already been implemented while three of them are still ongoing. At the end of a proceeding conducted in 2017 against UCB Austria by FMA and concerning AML and terrorism financing regulations, UCB Austria received a decision from FMA imposing a fine in the amount of € 66.000,00. UCB Austria decided to appeal against the FMA's decision. The proceedings are still on-going.

As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in August 2017, the ECB announced an inspection related to "Business model and profitability" of UniCredit subsidiary, UniCredit Bank Austria AG. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, highlighting some areas of improvement: (i) strategic planning; (ii) capital stress tests; (iii) transformation risk; (iv) corporate pricing approval control framework; (v) allocation of net write-downs and provisions to corporate center; (vi) liquidity cost benefit allocation; (vii) performance measurements; (viii) IRBB model risk. The ECB recommendation letter was notified to UniCredit Bank Austria AG in June 2018. A dedicated action plan was delivered to ECB in July 2018. The remedy actions will be concluded by December 2019.

Other countries

The other banks operating in countries where the Group has a presence are subject to normal regulatory activities: inspections, checks and investigations or assessment procedures by the various local supervisory authorities. Depending on the country, the authorities carry out regular checks on the activities and financial status of the various Group entities with differing frequencies and using different methods. Upon the outcome of these checks, the relevant supervisory authorities can impose the adoption of organisational measures and/or impose fines.

Turkey

Following the inspection launched in November 2011, with regard to Yapi ve KrediBankası A.Ş. (YKB) and other eleven Turkish banks, in March 2013 the Turkish AntiTrust Authority (TCA) announced that it was imposing monetary administrative fines on these banks for the alleged violation of Turkish law on protecting competition. The amount of the fine imposed on YKB came to TRY 149,961,870 (equal to over €63 million). Despite YKB believing it had acted in

compliance with the law, in August 2013 the bank benefited from the reduced early payment of the fine pursuant to Turkish law of TRY 112,471,402 (equal to 75 per cent. of the administrative fine imposed and equal to approximately €50 million). In September 2013, YKB also appealed against the TCA's decision asking for it to be annulled and also asking for its advance payment to be returned. Following the rejection of the appeal made by YKB in April 2015, in August 2016 YKB submitted a further appeal which, at the date of this Prospectus, is still pending.

In addition, in September 2016, following an investigation launched on account of the alleged violation of consumer protection laws under the scope of several transactions dated between 2011 and 2015, the Turkish Ministry of Customs and Trade imposed an administrative fine of TRY 116,254,138 (equal to approximately €31 million) on YKB. In September 2016, YKB benefited from the reduced early payment of the fine pursuant to Turkish law of TRY 87,190,604 (equal to 75 per cent. of the original fine and equal to approximately €23 million) and in October 2016 it appealed against the fine asking for its advance payment to be returned. As at the date of this Document, the proceedings are still pending.

GENERAL DESCRIPTION OF THE PROGRAMME

The Securities to be issued under this Base Prospectus will be issued under the Euro 1,000,000,000 Issuance Programme of UniCredit S.p.A.

Features of the Securities

General

The Securities will be issued as debt instruments with a Nominal Amount, constituting debt instruments. 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
- Product Type 29: Telescope Securities linked to Target Vol Strategies
- Product Type 30: Garant Digital Cash Collect Memory Securities
- Product Type 31: Securities linked to Target Vol Strategies
- Product Type 32: Worst-of Cash Collect Garant Securities
- Product Type 33: Reverse Icarus Garant Securities

Form of the Securities

Securities governed by German law:

The Securities are bearer debt instruments (Inhaberschuldverschreibungen) pursuant to § 793 of the German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**").

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.

Securities governed by Italian law:

The Securities are debt instruments in dematerialized registered form pursuant to the Italian Consolidated Financial Act (*Testo Unico della Finanza*).

The Securities will be represented by book entry.

The Security Holders are not entitled to receive definitive Securities.

Underlying

"**Underlying**" of the Securities may either be a Share, an Index or a commodity, a Fund Share, a currency exchange rate, a reference rate or a "**Basket**" consisting of those assets as "**Basket Components**". The possible Underlyings in relation to a specific Product Type are indicated in section "Description of the Securities" on page 147 of this Base Prospectus. The relevant Underlying and, if applicable, the Basket Components, will be specified in the Final Terms.

The term "**Share**" comprises shares of UniCredit S.p.A. or shares of other entities belonging to the same group as the Issuer (the "**Group Shares**"), provided that such shares are admitted to trading on a regulated market. "**Group**" means the UniCredit Group, to which UniCredit S.p.A. is the holding company. The term "**Share**" also comprises securities with the form of depository receipts (e.g. American Depository Receipts (ADR) or Regional Depository Receipts (RDR) (respectively a "**Depository Receipt**"). Fund Shares are, however, not covered by this term. "**Index**" may be an 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. 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 or Basket Component of the Securities by way of a supplement. The Underlying is the main influencing factor on the value of the Securities. If indicated in the Final Terms an Index may also be an Index related to Fund Shares (the "**Fund Indices**").

"**Fund Share**" means a unit or share of an investment fund, including exchange traded funds (ETF).

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.

Information in accordance with Article 29 of the Benchmark Regulation

The relevant Final Terms of the Securities may make reference to one or more Benchmark(s), to which Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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 ("**Benchmark Regulation**") applies.

"**Benchmark**" means in this respect and in accordance with the Benchmark-Regulation, any index by reference to which the amount payable under the Securities, or the value of the Securities, is determined.

In this case, the Issuer is subject to certain requirements regarding the use of the respective Benchmark and corresponding disclosure obligation in relation to this Base Prospectus, *inter alia*, regarding the indication whether the natural or legal person that has control over the provision of the Benchmark in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 (the "**Benchmark Administrator**") is included in the register referred to in Article 36 of the Benchmark-Regulation. The respective Benchmark-Administrator will be referred to in the respective Final Terms as 'Index-Administrator' or 'Reference Rate-Administrator'.

However, during a transitional period (not ending before 1 January 2020), in the course of which authorization or registration of the respective Benchmark Administrator shall occur, certain Benchmarks, in particular such Benchmarks already in existence before 1 January 2018, may be used without authorization or registration of the respective Benchmark Administrator unless the competent authority has rejected an application of the Benchmark Administrator for authorisation or registration. During the transitional, the Issuer expects to receive no or only limited relevant information, *inter alia*, in relation to the Benchmark Administrator's authorization or registration status. Investors should note that during the transitional period relevant information may not be included in the Base Prospectus in whole or in part, although the Issuer acts in line with any requirements set out in the Benchmark Regulation and the Prospectus Directive. If the Securities

make reference to a Benchmark, the Final Terms will indicate whether the Benchmark Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.

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) (if the Securities are governed by German law) or, respectively, by acting in accordance with relevant market practice and in good faith (if the Securities are governed by Italian law) 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 Final Payment 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) (if the Securities are governed by German law) or, respectively, by acting in accordance with relevant market practice and in good faith (if the Securities are governed by Italian law). 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 may either be governed by the laws of the Federal Republic of Germany or by the laws of the Republic of Italy, as specified in the relevant Final Terms.

Status of the Securities

The obligations of the Issuer under the Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, ranking (subject to any obligations preferred by any applicable law (also subject to the bail-in instruments as implemented under Italian law)) *pari passu* with all other unsecured obligations (other than obligations ranking junior to the senior notes from time to time (including non-preferred senior notes and any further obligations permitted by law to rank junior to the senior notes following the Issue Date), if any) of the Issuer, present and future and, in the case of the senior notes, *pari passu* and rateably without any preference among themselves.

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, in case of Securities governed by German law.

The Securities are delivered in terms of ownership of an account held with an account holder which is an intermediary opening an account with and adhering to the Clearing System, in case of Securities governed by Italian law.

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 or trading of the Securities on another stock exchange, another market and/or trading system (including a multilateral trading facility). 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 or traded on.

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. Furthermore, in case of an admission quotations may only be single-sided (bid or ask prices).

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) a minimum subscription amount
- (viii) a maximum subscription amount
- (ix) the country(ies) where the offer(s) to the public takes place;
- (x) smallest transferable and/or tradable unit or amount;
- (xi) the conditions for the offer of the Securities;
- (xii) possibility of an early termination of the public offer;
- (xiii) the condition for the offer in relation to an admission for trading prior to the Issue Date;
- (xiv) information on a consumer withdrawal right;
- (xv) MiFID II product governance / target market.

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. In the case of Securities being offered to Italian consumers, the Final Terms may specify that subscription orders are subject to revocation rights applicable to the "door to door selling" and the "long distance technique selling" and the conditions of such revocation right.

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.

MIFID II Product Governance

MIFID II product governance / target market – The Final Terms in respect of any Securities may include a legend entitled "MiFID II Product Governance" which may outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**Distributor**") should take into consideration the target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the arranger nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares, Fund Indices or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Final Payment 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 Final Payment Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 (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 Final Payment 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 Final Payment 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 Final Payment Date depends on the Performance of the Underlying, subject to a Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. Moreover, the respective Additional Conditional Amount (k) is paid on the Additional Conditional Amount Payment Dates (k).

With respect to the payment of the Additional Conditional Amount (k) and to their redemption, the Securities may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

Interest

The Securities do not bear interest.

Additional Conditional Amount

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

In the case of Garant Digital Cash Collect Securities with lock-in, on all Additional Conditional Amount Payment Dates (k) following a payment of the Additional Conditional Amount (k) the respective Additional Conditional Amount (k) shall be paid on all following Additional Conditional Amount Payment Dates (k) regardless whether R (k) is greater than or equal to the Strike on the respective Observation Date (k).

The respective Additional Conditional Amount (k) on the respective Observation Date (k) 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).

Additional Unconditional Amount (l)

In the case of Securities where an Additional Unconditional Amount (l) is specified in the relevant Final Terms, the Additional Unconditional Amount (l) will be paid on the Additional Unconditional Amount Payment Date (l) regardless whether R (k) is greater than or equal to the Strike .

Redemption

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

If a Barrier Event has occurred, the Redemption Amount at the Final Payment 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 Minimum Amount will be 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 Final Payment 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 Final Payment Date depends on the Performance of the Underlying.

Moreover, payment of the respective Additional Amount (k) on the Additional Amount Payment Dates (k) depends on the Performance of the Underlying (k).

With respect to the payment of the Additional Amount (k) and to their redemption, the Securities may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

Interest

The Securities do not bear interest.

Additional Amount

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

For *Securities with an unconditional Additional Amount (k)* the Additional Amount (k) is paid on an Additional Amount Payment Date (k) even if the Reference Price on the Observation Date (k) is equal or lower than the Strike, provided, however, that the respective Additional Amount (k) is greater than zero.

The Additional Amount (k) on the respective Observation Date (k) is, as specified in the relevant Final Terms, equal to:

- the Nominal Amount multiplied by (i) the Participation Factor and (ii) the Performance of the Underlying (k),
- the Nominal Amount multiplied by (i) the Participation Factor (k) and (ii) the Performance of the Underlying (k),
- the Nominal Amount multiplied by (i) the Participation Factor (k) and (ii) the minimum of (a) the Cap and (b) the maximum of the (x) Floor and (y) the Performance of the Underlying (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 a Minimum 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 Final Payment 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.

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. If so specified in the relevant Final Terms the Redemption Amount is not greater 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 Final Payment 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 Final Payment Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment Date the Redemption Amount is equal to the Minimum Amount.

Upon the occurrence of a Conversion Event, the Securities will be redeemed on the Final Payment 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 Final Payment Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. The redemption on the Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment Date the Redemption Amount is equal to the Minimum Amount.

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

PRODUCT TYPE 12: PERFORMANCE TELESCOPE SECURITIES

General

Performance Telescope Securities are Securities where the redemption on the Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment Date at the Settlement Amount.

PRODUCT TYPE 13: GARANT TELESCOPE SECURITIES

General

Garant Telescope Securities are Securities where the Redemption Amount on the Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Fund Shares, Indices, Fund Indices and commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices (excluding Fund Indices) or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices (excluding Fund Indices) or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices (excluding Fund Indices) or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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 Final Payment 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 Final Payment 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 (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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 Final Payment 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_{best}.

Basket Component_{i best} (i=1) means Basket Component_j with the Best Performance. Basket Component_{i best} (i = 2,...,N) means the Basket Component_i that is different from all Basket Components_{j best} (where j = 1,..., (i-1)) with the Best Performance.

The performance of the respective Basket Component_{i best} is equal to $K_{i best}$ (final) divided by $K_{i best}$ (initial) multiplied by the respective Weighting_{i best}.

$K_{i best}$ (initial) means K_i (initial) of the Basket Component_{i best}

$K_{i best}$ (final) means K_i (final) of the Basket Component_{i 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Ki (final) (as the numerator) and (ii) Ki (final) (as the denominator).
- for *Securities (Self Quanto)* the quotient of (i) the difference between the Strike_i and Ki (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 Ki (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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Shares (incl. Depository Receipts) as well as to Group Shares, Indices (including Indices linked to Fund Shares), Fund Shares or commodities.

Securities linked to Group Shares, Indices and commodities are always issued as Securities with cash settlement.

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 $K_i(\text{initial})$.

$K_i(k)$ 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 Final Payment 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_i 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 Final Payment Date depends on the performance of the Level of the Target Vol Strategy, which is linked to the performance of the Underlying A and the Underlying B under consideration of a Dynamic Weighting. The Underlying A is a weighted basket composed of basket components. The Dynamic Weighting depends on the volatility of the Underlying A relative to the Target Volatility. The Underlying B 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 A 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 A, subject to a Minimum Weight, and the Underlying B is taken into account with a positive weight. If the volatility of the Underlying A 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 A, subject to a Maximum Weight, and the Underlying B 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.

Underlying A may be a basket consisting of Shares (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares or commodities as Basket Components.

Securities linked to Group Shares, Indices and commodities are always issued as Securities with cash settlement.

Underlying B may either be a Reference Rate or a Fund Share.

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 Final Payment 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 Underlying A with respect to the Calculation Date_t and (iii) the dynamically weighted daily fraction (Act/360) of the Return of Underlying B. The Final Terms may specify a Fee_{TVL}, a Fee_{Basket}, a Fee_{ULB} and/or a Fee_{Strat} to be taken into account by way of deduction.

Return of Underlying A 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.

Return of the Underlying B means with respect to a Calculation Date_t, as specified in the relevant Final Terms:

- the Reference Rate determined on the specified Reference Rate Reset Date with respect to the Calculation Date immediately preceding the Calculation Date_t, or
- the quotient from (i) the Reference Price of Underlying B on the Calculation Date_t as numerator and (ii) the Reference Price of Underlying B on the Calculation Date immediately preceding the Calculation Date_t as denominator minus 1.

Fee_{TVL} (if applicable), Fee_{Basket} (if applicable), Fee_{ULB} (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 Final Payment 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 Final Payment 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 (1) under consideration of the Local Floor (1) and, if applicable, the Local Cap (1) for the respective Observation Date (1). 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 (incl. Depository Receipts) as well as to Group Shares, 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, 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 Final Payment 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 (1): The maximum of
 - (a) the quotient of R (1) as nominator and R (initial) as denominator and
 - (b) the Local Floor (1) but, if applicable, not more than the Local Cap (1), and
- (ii) the number of Observation Date (1) as denominator.

R (initial) means:

- for Securities where R (initial) has already been specified, the level specified in the respective Final Terms,

- 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 on the Initial Observation Dates.

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 Final Payment 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 Final Payment 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 (I). 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 (incl. Depository Receipts) as well as to Group Shares, 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, 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 Final Payment 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,
- 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 on the Initial Observation Dates.

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_t 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 Final Payment Date at the Settlement Amount.

PRODUCT TYPE 29: TELESCOPE SECURITIES LINKED TO TARGET VOL STRATEGIES

General

The value of the Securities during their term depends decisively on the Level of the Strategy. If the Level of the Strategy rises, the value of the Securities regularly rises. If the Level of the Strategy falls, the value of the Securities regularly falls.

Telescope Securities linked to Target Vol Strategy are Securities where the payment of an Additional Amount depends on the Performance of the Strategy, which is linked to the Level of the Strategy. The Level of the Strategy depends on the Return of the Underlying A and the Return of the Underlying B, 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 Strategy participates with less than 100% in the Return of the Underlying A, subject to a Minimum Weight. If the Volatility of the Underlying is less than the Target Volatility then the Level of the Strategy participates with more than 100% in the Return of the Underlying A, subject to a Maximum Weight.

The Redemption Amount on the Final Payment 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 Final Payment Date does not depend on the Level of the Strategy.

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

The Underlying A may either be a Share (incl. Depository Receipts) as well as Group Shares, an Index, a Fund Share or a commodity.

If applicable according to the relevant Final Terms, Underlying B may either be a Reference Rate or a Fund Share.

The Nominal Amount of Telescope Securities linked to Target Vol Strategy shall not be less than EUR 100,000.

The Securities are always issued as Securities with cash settlement.

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

D (k), the Fees, the Minimum Amount, the Participation Factor (k) and the Strike Level are specified in the respective Final Terms.

Interest

The Securities do not bear interest.

Additional Amount

Subject to a Fund Conversion Event, if the Performance of the Strategy (k) is greater than the Strike Level, in respect of Securities with a conditional Additional Amount, 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 (k) will be paid on the respective Additional Amount Payment Date (k) irrespective of the Performance of the Strategy.

The Additional Amount (k) is equal to the Nominal Amount multiplied by (i) the Participation Factor (k) and (ii) the difference between the Performance of the Strategy (k) and the Strike Level, divided by 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 Performance of the Strategy (k) is equal to the quotient of the Level of the Strategy on the respective Observation Date (S (k)) and S (initial).

S (initial) means, as specified in the respective Final Terms:

- the Start Level of the Strategy or
- the equally weighted average (arithmetic average) of the Levels of the Strategy on the Initial Observation Dates.

The Start Level of the Strategy is specified in the respective Final Terms.

The Level of the Strategy on each Strategy Calculation Date will be calculated by the Calculation Agent as the product of (a) the Level of the Strategy with respect to the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date and (b) the sum of (i) one, (ii) the dynamically weighted Return of Underlying A with respect to the Strategy Calculation Date and (iii) the dynamically weighted daily fraction (Act/360) of the Return of Underlying B. The Final Terms may specify a Fee_{TVL}, a Fee_{ULA}, a Fee_{ULB} and/or a Fee_{Strat} to be taken into account by way of deduction. The Dynamic Weight corresponds to the quotient between the Target Volatility and the realized Volatility of the Underlying in respect of any given Strategy Calculation Date.

The Dynamic Weight is no higher than the Maximum Weight and no less than the Minimum Weight.

The Volatility of the Underlying is calculated based on the Return of Underlying A.

Return of the Underlying A means with respect to a Strategy Calculation Date, as specified in the relevant Final Terms:

- the quotient from (i) the difference of the Reference Price of Underlying B on the Strategy Calculation Date and the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date as numerator and (ii) the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the Strategy Calculation Date as denominator.
- the quotient from (i) the Reference Price of Underlying B on the Strategy Calculation Date as numerator and (ii) the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date as denominator minus 1.

Return of the Underlying B means with respect to a Strategy Calculation Date, as specified in the relevant Final Terms:

- the Strategy Reference Rate determined on the specified Strategy Reference Rate Reset Date determined on the Strategy Reference Rate Reset Date that is associated with the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date,
- the quotient from (i) the difference of the Reference Price of Underlying B on the Strategy Calculation Date and the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date as numerator and (ii) the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the Strategy Calculation Date as denominator.
- the quotient from (i) the Reference Price of Underlying B on the Strategy Calculation Date as numerator and (ii) the Reference Price of Underlying B on the Strategy Calculation Date immediately preceding the respective Strategy Calculation Date as denominator minus 1.

The Maximum Weight, the Minimum Weight and the Target Volatility are specified in the relevant Final Terms.

Redemption

If no Fund Conversion Event has occurred, the Securities will be redeemed on the Final Payment 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 Final Payment 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 Final Payment 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 30: GARANT DIGITAL CASH COLLECT MEMORY 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 Final Payment Date depends on the Performance of the Underlying, subject to a Minimum Amount. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount. Moreover, the respective Additional Conditional Amount (k) is paid on the Additional Conditional Amount Payment Dates (k).

With respect to the payment of the Additional Conditional Amount (k) and to their redemption, the Securities may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices, commodities, Fund Shares or Fund Indices.

Securities linked to Group Shares, Indices and commodities are always issued as Securities with cash settlement.

Interest

The Securities do not bear interest.

Additional Conditional Amount

If R (k) on an Observation Date (k) is greater than or equal to the Strike, an Additional Conditional Amount (k) is paid on the respective Additional Conditional Amount Payment Date (k), less all Additional Conditional Amounts (k) paid on the preceding Additional Conditional Amount Payment Dates (k).

In the case of Garant Digital Cash Collect Securities with lock-in, on all Additional Conditional Amount Payment Dates (k) following a payment of the Additional Conditional Amount (k) the respective Additional Conditional Amount (k) shall be paid on all following Additional Conditional Amount Payment Dates (k) regardless whether R (k) is greater than or equal to the Strike on the respective Observation Date (k).

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

Additional Unconditional Amount (l)

In the case of Securities where an Additional Unconditional Amount (l) is specified in the relevant Final Terms, the Additional Unconditional Amount (l) will be paid regardless whether R(k) is greater than or equal to the Strike.

Redemption

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

If a Barrier Event has occurred, the Redemption Amount at the Final Payment 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 Minimum Amount will be 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 Final Payment Date at the Settlement Amount.

PRODUCT TYPE 31: SECURITIES LINKED TO TARGET VOL 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 Final Payment Date depends on the performance of the Level of the Target Vol Strategy, which is linked to the performance of the Underlying^{°A} and the Underlying^{°B} under consideration of a Dynamic Weighting. The Dynamic Weighting depends on the volatility of the Underlying relative to the Target Volatility. The Underlying^{°B} 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^{°A} 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^{°A}, subject to a Minimum Weight, and the Underlying^{°B} is taken into account with a positive weight. If the volatility of the Underlying A 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 A, subject to a Maximum Weight, and the Underlying^{°B} 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, as specified in the relevant Final Terms. 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 the case of Securities Linked to Target Vol Strategies with Maximum Amount, then the Redemption Amount is in no case higher than the Maximum Amount.

Underlying A may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices, Fund Shares or commodities.

Underlying B may either be a Reference Rate or a Fund Share.

The Securities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

In the case of *Securities with an Additional Unconditional Amount (I)* the Additional Unconditional Amount (I) will be paid on the respective Additional Unconditional Amount Payment Date (I) irrespective of the occurrence of an income payment event.

Redemption

If no Conversion Event has occurred, the Securities are redeemed on the Final Payment Date at the Redemption Amount.

If no Barrier Event has occurred, 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 maximum between

(1) the difference between the quotient of R (final), as the numerator, and R (initial) as the denominator, and the Strike,

and

(2) zero.

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

- (i) the Nominal Amount
- (ii) multiplied by the quotient of R (final), as the numerator, and R (initial) as the denominator.

The Redemption Amount is in no event less than the Minimum Amount.

The Redemption Amount is in no event higher than the Maximum Amount (if applicable).

A Barrier Event means the fact that R (final) is lower than the Barrier.

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

R (initial) means, as specified in the respective Final Terms:

- the Level of the Target Vol Strategy on the Initial Observation Date or
- the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy determined on the Initial Observation Dates.

R (final) means, as specified in the respective Final Terms:

- 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, R (final) means the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy 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 Underlying^{°A} with respect to the Calculation Date_t and (iii) the dynamically weighted daily fraction (Act/360) of the Return of Underlying^{°B}. The Final Terms may specify a Fee_{ULA}, Fee_{TVL}, a Fee_{ULB} and/or a Fee_{Strat} to be taken into account by way of deduction.

"Return of Underlying A" means with respect to a Calculation Date_t, as specified in the relevant Final Terms:

- the Reference Price of the Underlying A on the Calculation Date_t minus the Reference Price of the Underlying A on the Calculation Date immediately preceding the respective Calculation Date_t and divided by the Reference Price of the Underlying A on the Calculation Date immediately preceding the respective Calculation Date_t, or
- the Reference Price of the Underlying A on the Calculation Date_t divided by the Reference Price of the Underlying A on the Calculation Date immediately preceding the respective Calculation Date_t minus 1.

"Return of the Underlying B" means with respect to a Calculation Date_t, as specified in the relevant Final Terms:

- the Reference Rate determined on the Reference Rate Reset Date with respect to the Calculation Date immediately preceding the respective Calculation Date_t, or
- the Reference Price of the Underlying B on the Calculation Date_t minus the Reference Price of the Underlying B on the Calculation Date immediately preceding the respective

Calculation Date_t and divided by the Reference Price of the Underlying B on the Calculation Date immediately preceding the respective Calculation Date_e, or

- the Reference Price of the Underlying B on the Calculation Date_t divided by the Reference Price of the Underlying B on the Calculation Date immediately preceding the respective Calculation Date_t minus 1.

Fee_{ULA} (if applicable), Fee_{TVL} (if applicable), Fee_{ULB} (if applicable), Fee_{Strat} (if applicable), Minimum Amount, Minimum Weight, Maximum Weight, Participation Factor, Maximum Amount (if applicable), Underlying B, Strike Target Volatility, Barrier and Floor Level are 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 at the Settlement Amount on the Final Payment Date.

PRODUCT TYPE 32: WORST-OF CASH COLLECT GARANT SECURITIES

General

The value of the Securities during their term depends decisively on the price of the Basket Components. If the price of the Basket Components rises, the value of the Securities regularly rises. If the price of the Basket Components falls, the value of the Securities regularly falls.

The Securities are always redeemed at the Minimum Amount on the Final Payment Date. The Minimum Amount may be equal to the Nominal Amount or may be less than the Nominal Amount.

The redemption on the Final Payment Date does not depend on the Performance of the Basket Components. The Securities allow for the payment of an Additional Conditional Amount (k) on each Additional Conditional Amount Payment Date (k), if an Additional Conditional Amount Payment Event has occurred. The payment of the Additional Conditional Amount (k) depends on the Worst Performance (k).

The Minimum Amount and the respective Additional Conditional Amount (k) are specified in the respective Final Terms.

With respect to the payment of the Additional Amount (k), the Securities may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

Payment of the Additional Conditional Amount (k) depends on the occurrence of an Additional Conditional Amount Payment Event.

Additional Conditional Amount Payment Event means that the Worst Performance (k) is equal to or greater than the Additional Conditional Amount Payment Level (k).

The Worst Performance (k) is the lowest performance of the Basket Component_i (k) on the respective Observation Date (k). The Performance of the Basket Component_i (k) corresponds to $K_i(k)$ divided by K_i (initial).

$K_i(k)$ means the Reference Price_i of the Basket Component_i on the respective Observation Date (k).

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 Date 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.

If an Additional Conditional Amount Payment Event has occurred on an Observation Date (k), the respective Additional Conditional Amount (k) is paid on the respective Additional Conditional Amount Payment Date (k).

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

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

Redemption

At the Final Payment Date the Redemption Amount is equal to the Minimum Amount.

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

PRODUCT TYPE 33: REVERSE ICARUS GARANT SECURITIES

General

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

The redemption amount on the Final Payment Date depends on the Performance of the Underlying.

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

With respect to their redemption, the Securities may be linked to Shares (incl. Depository Receipts) as well as to Group Shares, Indices (excluding Fund Indices) or commodities.

Securities linked to Group Shares, Indices or commodities are always issued as Securities with cash settlement.

Interest

The Securities do not bear interest.

Redemption

Subject to a Conversion Event the Securities are redeemed on the Final Payment Date at the Redemption Amount.

- If the Reference Price in the case of continuous observation reaches or falls below the Barrier during the Barrier Observation Period, the "**Redemption Amount**" is equal to the Nominal Amount multiplied by the total of (i) 1 and (ii) the difference, multiplied by the Participation Factor, between 1 and the Performance of the Underlying.
- If the Reference Price in the case of continuous observation has never been at or below the Barrier during the Barrier Observation Period, the "**Redemption Amount**" is equal to the sum of the Nominal Amount and the Coupon Amount.

"**Coupon Amount**" means the Nominal Amount multiplied with the Coupon.

"**Barrier**" means Barrier Level multiplied with R (initial).

The Redemption Amount is not less than the Minimum Amount.

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

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 Securities are deemed automatically exercised on the Exercise Date.

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

DESCRIPTIONS OF THE SECURITIES INCORPORATED BY REFERENCE IN THE BASE PROSPECTUS

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 1 March 2018

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 1,000,000,000 Issuance Programme of UniCredit S.p.A. dated 1 March 2018 (the "**Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 1 March 2018**") the Description of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 1 March 2018 is hereby incorporated by reference into this Base Prospectus.

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 7 December 2018

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 1,000,000,000 Issuance Programme of UniCredit S.p.A. dated 7 December 2018 (the "**Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 7 December 2018**") the Description of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 7 December 2018 is hereby incorporated by reference into this Base Prospectus.

A list setting out the information incorporated by reference is provided on page 564 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 in case of Securities governed by German law.

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) either (i) a consolidated version of the General Conditions^{*)} or (ii) 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.

^{*)} In case of consolidated General Conditions in the Final Terms, such consolidated General Conditions will be part of the relevant Final Terms and such consolidated General Conditions will be filed with or sent to any competent authority.

^{**)} In case of non-consolidated General Conditions in the Final Terms, a consolidated version of the General Conditions may be delivered together with the relevant Final Terms. In case of non-consolidated General Conditions in the 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

[Option 1: In the case of Securities governed by German law, the following applies:]

- § 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 Invalidation, Corrections
- § 10 Applicable Law, Place of Performance, Place of Jurisdiction]

[Option 2: In the case of Securities governed by Italian law, the following applies:]

- § 1 Form, Book Entry, Clearing System
- § 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 (intentionally left out)
- § 9 Partial Invalidation, Corrections
- § 10 Applicable Law, Choice of Forum]

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

Product Type 30: Garant Digital Cash Collect Memory Securities

[§ 1 Definitions

§ 2 Interest, Additional [Conditional] [and] [Unconditional] 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]

Product Type 29: Telescope Securities linked to Target Vol Strategies

[§ 1 Definitions

§ 2 Interest, Additional Amount, Level of the Strategy, Dynamic Weight, Volatility of the Underlying

§ 3 Redemption

§ 4 Redemption Amount]

Product Type 31: Securities linked to Target Vol Strategies

[§ 1 Definitions

§ 2 Interest[, Additional Unconditional Amount]

§ 3 Redemption

§ 4 Redemption Amount, Level of the Target Vol Strategy, Dynamic Weight, Underlying Volatility]

Product Type 32: Worst-of Cash Collect Garant Securities

- [§ 1 Definitions
- § 2 Interest, Additional Amount
- § 3 Redemption
- § 4 Redemption Amount]

Product Type 33: Reverse Icarus Garant Securities

- [§ 1 Definitions
- § 2 Interest
- § 3 Redemption
- § 4 Redemption Amount]

[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")

[Option 1: In the case of Securities governed by German law, the following applies:]

§ 1

Form, Clearing System, Global Note, Custody

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit S.p.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.]

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.

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

"**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] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy] [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] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy] [*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 of the Issuer under the Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, ranking (subject to any obligations preferred by any applicable law (also subject to the bail-in instruments as implemented under Italian law)) *pari passu* with all other unsecured obligations (other than obligations ranking junior to the senior notes from time to time (including non-preferred senior notes and any further obligations permitted by law to rank junior to the senior notes following the Issue Date), if any) of the Issuer, present and future and, in the case of the senior notes, *pari passu* and rateably without any preference among themselves.]

§ 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) 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) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and

- (d) the Issuer guarantees proper payment of the amounts due under these Terms and Conditions.

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

- [(1)] 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).]

- [(2)] In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [fourth] [●] Banking Day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.]

§ 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.]

[Option 2: In the case of Securities governed by Italian law, the following applies:]

§ 1

Form, Book Entry, Clearing System

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit S.p.A. (the "**Issuer**") will be issued as [notes] [certificates] in dematerialized registered form pursuant to these Terms and Conditions with a nominal amount in the Specified Currency and in a denomination corresponding to the nominal amount.
- (2) *Book Entry:* The Securities are registered in the books of the Clearing System, in accordance with the Legislative Decree no. 58 of 24 February 1998, as amended (*Testo Unico della Finanza*, "**Consolidated Law on Financial Intermediation**") and with the rules governing central depositories, settlement services, guarantee systems and related management companies, issued by the Bank of Italy and by the Italian securities regulator 'Commissione Nazionale per le Società e la Borsa' (CONSOB) on 22 February 2008, as amended. No physical document of title will be issued to represent the Securities, without prejudice to the right of the Security Holder to obtain the issuance of the certification as per Sections 83-*quinquies* and 83-*novies*, paragraph 1, lett. b) of the Consolidated Law on Financial Intermediation. The transfer of the Securities operates by way of registration on the relevant accounts opened with the Clearing System by any intermediary adhering, directly or indirectly, to the Clearing System ("**Account Holders**"). As a consequence, the respective Security Holder who from time to time is the owner of the account held with an Account Holder will be considered as the legitimate owner of the Securities and will be authorised to exercise all rights related to them, in accordance with the Terms and Conditions of the Securities and applicable provisions of law.

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy] [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] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy] [*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 Paying Agents and the Calculation Agent act solely on behalf of the Issuer and do not assume any obligations towards or relationship of mandate or trust for or with any of the

Security Holders. For the avoidance of doubt, Section 1395 of the Italian Civil Code (*Codice Civile*, "CC") shall not apply in respect of any acts of the Principal Paying Agent.

§ 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 of the Issuer under the Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer respectively, ranking (subject to any obligations preferred by any applicable law (also subject to the bail-in instruments as implemented under Italian law)) *pari passu* with all other unsecured obligations (other than obligations ranking junior to the senior notes from time to time (including non-preferred senior notes and any further obligations permitted by law to rank junior to the senior notes following the Issue Date), if any) of the Issuer, present and future and, in the case of the senior notes, *pari passu* and rateably without any preference among themselves.

§ 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) the Issuer and the New Issuer have obtained all authorizations and have satisfied all other conditions as necessary to ensure that the Securities are legal, valid and enforceable obligations of the New Issuer;
 - (c) the Issuer and the New Issuer 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,

- (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
- (e) the Issuer irrevocably and unconditionally guarantees proper payment of the amounts due under these Terms and Conditions.

For purposes of this § 5 (1) "**Affiliate**" means a company controlling, controlled by, or under common control with, the Issuer, provided that the term "controlled" ("*controllate*") shall have the meaning ascribed to it in Section 93 of the Consolidated Law on Financial Intermediation and the terms "controlling" and "common control" shall be interpreted accordingly.

- (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

- [(1)] 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).]

- [(2)] In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the [fourth] [●] Banking Day after the day on which the said notice was given to the Clearing System.

For the avoidance of doubt, any notice published on the Website for Notices which has become effective shall prevail the notice via the Clearing System.]

§ 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

(intentionally left out)]

§ 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, inaccuracies and inconsistencies*: The Issuer may amend these Terms and Conditions without having to obtain the prior consent of the Security Holders, provided that such amendments (i) do not prejudice the rights or interests of the Security Holders and (ii) are aimed at correcting a manifest or obvious error, or at removing inaccuracies or inconsistencies from the text. Any notices to the Security Holders relating to the amendments referred to in the previous sentence shall be made in accordance with Section 6 of these Terms and Conditions.

§ 10

Applicable Law, Choice of Forum

- (1) *Applicable law*: The Securities, as to form and content, and all rights and obligations thereunder shall be governed by the laws of the Republic of Italy.
- (2) *Choice of Forum*: To the extent permitted by law, all disputes arising from or in connection with the matters governed by these Terms and Conditions shall be brought before the Tribunal of Milan, Italy.]

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 table⁷ (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 [Unconditional] Amount (l): *[Insert]*

[Additional Amount Payment Date (k): *[Insert]*

[Additional [Unconditional] Amount Payment Date (l): *[Insert]*

[Additional Conditional Amount (k): *[Insert]*

[Additional Conditional Amount Payment Date (k): *[Insert]*

[Additional Conditional Amount Payment Level (k): *[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]*

[Calculation Currency: *[Insert]*

[Cap: *[Insert]*

[Cap Level: *[Insert]*

[Common Code: *[Insert]*

[Coupon: *[Insert]*

[D (k): *[Insert]*

[Designated Maturity: *[Insert]*

[Designated Maturity for the Strategy Reference Rate: *[Insert]*

[Fee_{Basket}: *[Insert]*

⁷ Several consecutively numbered tables may be provided in the Final Terms depending on the product type.

[FeeRateVariable: [Insert]]
[FeeStrat: [Insert]]
[FeeStratFix: [Insert]]
[FeeStratVariable : [Insert]]
[FeeTVL: [Insert]]
[FeeULA: [Insert]]
[FeeULB: [Insert]]
[FeeUnderlying: [Insert]]
[Final Observation Date[s]: [Insert]]
Final Payment Date: [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: [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]]
[Initial Strategy Calculation Date: [Insert]]
[Interest Commencement Date: [Insert]]
[Interest End Date: [Insert]]
[Interest Payment Date: [Insert]]
[Interest Rate: [Insert]]
ISIN: [Insert]
[Issue Date: [Insert]]

[Issue Price: *[Insert]*]⁸
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]*]
[Last Day of the Worst-in Period: *[Insert]*]
[Length of the Volatility Observation 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_{Rate}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{RateVariable}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{StratVariable}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{Strat}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{TVL}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{ULA}: [●]% to [●]%
[Maximum Permissible Value Range for Fee_{ULB}: [●]% to [●]%
[Maximum Weight: *[Insert]*]
[Minimum Additional Amount (k): *[Insert]*]
[Minimum Amount: *[Insert]*]
[Minimum Weight: *[Insert]*]
[N: *[Insert]*]
[Nominal Amount: *[Insert]*]⁹
[Observation Date (k): *[Insert]*]
[Observation Date (l): *[Insert]*]
[Offset of the Volatility Observation Period: *[Insert]*]
[Participation Factor [(k)]: *[Insert]*]
[Participation Factor_{Best}: *[Insert]*]

⁸ 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.

⁹ The Nominal Amount shall not be less than EUR 1,000.

[Principal Paying Agent: *[Insert]*]

[Protection Level: *[Insert]*]

[R (initial): *[Insert]*]

[Rebate Amount: *[Insert]*]

[Reference Price: *[Insert]*]

[Reference Price_i: *[Insert]*]

[Reference Rate-Administrator: [not] registered]

Reuters: *[Insert]*

[Screen Page: *[Insert]*]

[Screen Page for the Strategy Reference Rate: *[Insert]*]

Series Number: *[Insert]*

Specified Currency: *[Insert]*

[Start Level of the Strategy: *[Insert]*]

[Strike: *[Insert]*]

[Strike (k-1): *[Insert]*]

[Strike_{best}: *[Insert]*]

[Strike_i: *[Insert]*]

[Strike Level: *[Insert]*]

[Target Volatility: *[Insert]*]

Tranche Number: *[Insert]*

Underlying A: *[Insert]*

[Underlying B: *[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 A	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 A	[Index Type]	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	[Index-Administrator]	Index Sponsor	Index Calculation Agent	Website
[Insert name of Underlying]	[Price Return] [Net Return] [Total Return] [Excess Return] [Distributing Index]	[Insert]	[Insert]	[Insert]	[Insert RIC]	[Insert Bloomberg ticker]	[not][registered]	[Insert]	[Insert]	[Insert]

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-Administrator _i]	Index Sponsor _[i]	Index Calculation Agent	Website _i
[Insert name of Basket Component ₁]	[Insert Currency of the Basket Component ₁]	[Insert WKN ₁]	[Insert ISIN ₁]	[Insert RIC ₁]	[Insert Bloomberg ticker ₁]	[not][registered]	[Insert Index Sponsor ₁]	[Insert Index Calculation Agent ₁]	[Insert Website ₁]
[Insert name of Basket Component _N]	[Insert Currency of the Basket Component _N]	[Insert WKN _N]	[Insert ISIN _N]	[Insert RIC _N]	[Insert Bloomberg ticker _N]	[not][registered]	[Insert Index Sponsor _N]	[Insert Index Calculation Agent _N]	[Insert Website _N]

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 A	Underlying Currency	[WKN]	[ISIN]	[Reuters]	[Bloomberg]	Reference Market	Website
[Insert name of Underlying]	[Insert]	[Insert]	[Insert]	[Insert RIC]	[Insert Bloomberg ticker]	[Insert]	[Insert]

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
[Insert name of Basket Component ₁]	[Insert Currency of the Basket Component ₁]	[Insert WKN ₁]	[Insert ISIN ₁]	[Insert RIC ₁]	[Insert Bloomberg ticker ₁]	[Insert Reference Market ₁]	[Insert Website ₁]
[Insert name of Basket Component _N]	[Insert Currency of the Basket Component _N]	[Insert WKN _N]	[Insert ISIN _N]	[Insert RIC _N]	[Insert Bloomberg ticker _N]	[Insert Reference Market _N]	[Insert Website _N]

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
<i>[Insert name of FX exchange rate_i]</i>	<i>[Insert Base Currency_i]</i>	<i>[Insert Counter Currency_i]</i>	<i>[Insert Fixing Sponsor_i]</i>	<i>[Insert FX Screen Page_i]</i>
<i>[Insert name of FX exchange rate_N]</i>	<i>[Insert Base Currency_N]</i>	<i>[Insert Counter Currency_N]</i>	<i>[Insert Fixing Sponsor_N]</i>	<i>[Insert FX Screen Page_N]</i>

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 [A] [B]	[Underlying Currency]	[WKN]	[ISIN]	[Reuters]	[Bloomberg]
<i>[Insert name of Underlying]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert RIC]</i>	<i>[Insert Bloomberg ticker]</i>

[Table 2.2:]

Underlying [A] [B]	[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>
<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>	<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).]

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[due to reasons for which the Issuer is not solely responsible];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz, "InvStG"*) and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (v) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [Insert number of days] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq.

- BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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[for more than [*Insert number of Banking Days*] consecutive Banking Days];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz, "InvStG"*) and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (x) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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.]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"**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 Monte Titoli as Clearing System, the following applies:

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance*

with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 Payment Date" means the Final Payment Date as specified in § 1 of the Product and Underlying Data.

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Days];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 beyond the control of 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (m) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];;

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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.]

"**Fund-Benchmark**" means the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically

equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;

- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Fund-Benchmark Sponsor.]

[*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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]
- [(b)] [no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]
- [(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[*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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

"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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];*

(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]].*

"Index-Administrator" means the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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"**). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];*

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: as determined by the Issuer acting in accordance with relevant market practice and in good faith*] of the Calculation Agent.]

[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 Final Payment Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant

market practice and in good faith]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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_{best} 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 Final Payment Date is the last day of the month of February, in which case the month of February shall not to be considered to be lengthened to a 30-day month).]

[In the case of "30E/360" or "Eurobond Basis" in accordance with ISDA 2006, the following applies:

[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 Final Payment 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 Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"Clearing System" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**") [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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]; 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.

"**Final Payment Date**" means the Final Payment Date 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.

"**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 [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

[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 Final Payment Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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 Final Payment 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

Product Type 30: Garant Digital Cash Collect Memory Securities

[In the case of Garant Cliquet Securities, Garant Cash Collect Securities, Garant Performance Cliquet Securities, Garant Digital Cash Collect Securities, Garant Digital Cash Collect Memory Securities, Garant Performance Cash Collect Securities, Garant Digital Coupon Securities, Performance Telescope Securities, Garant Telescope Securities, Garant Coupon Geoscope Securities and 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.]

[In the case of Securities with unconditional Additional Amount (l), the following applies:

"**Additional [Unconditional] Amount (l)**" means the Additional [Unconditional] Amount (l) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with unconditional Additional Amount (l), the following applies:

"**Additional [Unconditional] Amount Payment Date (l)**" means the Additional Amount Payment Date (l) as specified in § 1 of the Product and Underlying Data.]

"**Additional [Conditional] Amount (k)**" means the Additional [Conditional] Amount (k) as specified in § 1 of the Product and Underlying Data.]

"**Additional [Conditional] Amount Payment Date (k)**" means the respective Additional [Conditional] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;
- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz, "InvStG"*) and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (v) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion*]

(§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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 case of Securities governed by German law, insert:*, in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent,] [*in the case of Securities governed by Italian law, insert:*, as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith,] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 case of Securities governed by German law, insert:*, in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent,] [*in the case of Securities governed by Italian law, insert:*, as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith,] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 [due to reasons for which the Issuer is not solely responsible];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (x) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebates levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding *[Insert number of days]* Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"**P**" is *[Insert number of days]*;

"**BRP (t-k)**" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent *[Insert number of days]* Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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 and Garant Digital ex Memory 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.]]

[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].

"**Cap**" means the Cap 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 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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**")][Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**")] [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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 Participation Factor" means the Final Participation Factor as specified in § 1 of the Product and Underlying Data.]

"Final Payment Date" means the Final Payment Date, as specified in § 1 of the Product and Underlying Data.

[In the case of Garant [Performance][Digital] Cash Collect [Memory] 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.

"Floor" means [the Floor as specified in § 1 of the Product and Underlying Data] [Floor Level - 100%.]

[In the case of Garant Performance Cliquet Securities, Garant [Performance][Digital] Cash Collect [Memory] 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.

"Fund-Benchmark" means the index as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Calculation Date" means each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"Fund-Benchmark Reference Price" means the closing price of the Fund-Benchmark.

"Fund-Benchmark Sponsor" means the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;

- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the **Fund-Benchmark** as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Fund-Benchmark Sponsor.]

[*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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 beyond the control of 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*];
- (m) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz, "InvStG"*) and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- [(b)] no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- [(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].]

[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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (d) the Reference Price is no longer published in the Underlying Currency.]

"Index-Administrator" means the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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"**). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315*

et seq. BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: by the Calculation Agent acting in accordance with relevant market practice and in good faith*]. 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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* by the Calculation Agent acting in accordance with relevant market practice and in good faith] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]]. 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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* by the Calculation Agent acting in accordance with relevant market practice and in good faith] 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.*]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

"**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] [Protection Level x Nominal Amount].

"**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 [Conditional] 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 Final Payment 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 Final Payment 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 Final Payment Date shall be postponed correspondingly. Interest shall not be paid for such postponement.]

"Participation Factor [(k)]" means the Participation Factor [(k)] 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:

$$(R \text{ (final)} / R \text{ (initial)}) - \text{Strike}]$$

[In the case of Garant [Performance][Digital] Cash Collect [Memory] Securities and Performance Telescope Securities, the following applies:

$$(R \text{ (final)} / R \text{ (initial)}) - \text{Final Strike Level}]$$

["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:

$$(R \text{ (k)} - R \text{ (k-1)}) / R \text{ (k-1)}]$$

[In the case of Garant [Performance][Digital] Cash Collect Securities, the following applies:

$$(R \text{ (k)} - \text{Strike}) / R \text{ (initial)}]$$

[In the case of [Garant][Performance] Telescope Securities, the following applies:

$$1/D \text{ (k)} \times (R \text{ (k)} / R \text{ (initial)} - \text{Strike Level})]$$

[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:

$$R \text{ (k)} / R \text{ (initial)}]$$

[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.

"Protection Level" means the Protection Level as specified in § 1 of the Product and Underlying Data.]

[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 [Memory] 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 [Memory] 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 [Memory] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].]

"**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 [Memory] 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 [Conditional] [and] [Unconditional] Amount

- (1) *Interest*: The Securities do not bear interest.
- (2) *Additional [Conditional] 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)]

[Additional Amount (k) = Nominal Amount x Participation Factor (k) x Performance of the Underlying (k)]

[Additional Amount (k) = Nominal Amount x Participation Factor (k) x Min (Cap; Max (Floor; 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)]

[Additional Amount (k) = Nominal Amount x Participation Factor (k) x Performance of the Underlying (k)]

[Additional Amount (k) = Nominal Amount x Participation Factor (k) x Min (Cap; Max (Floor; Performance of the Underlying (k)))]

[In the case of Securities with a Minimum Additional Amount (k), the following applies:

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

Product Type 30: Garant Digital Cash Collect Memory Securities

[In the case of Garant Digital Coupon and Garant Digital Cash Collect Securities, the following applies:

If R (k) is greater than or equal to the Strike on any Observation Date (k), the respective Additional [Conditional] Amount (k) will be paid on the respective Additional [Conditional] Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions. The respective Additional [Conditional] Amount (k) for each Additional [Conditional] Amount Payment Date (k) is specified in § 1 of the Product and Underlying Data.

[In the case of Garant Digital Cash Collect Securities with lock-in the following applies:

Moreover, on all Additional Conditional Amount Payment Dates (k) following this Additional Conditional Amount Payment Date (k) the respective Additional Conditional Amount (k) shall be paid regardless whether R (k) is greater than or equal to the Strike.]

If R (k) is less than the Strike, no Additional Conditional Amount (k) will be paid on the respective Additional Conditional Amount Payment Date (k).]

[In the case of Garant Digital Cash Collect Memory Securities, the following applies:

If R (k) is greater than or equal to the Strike on any Observation Date (k), the respective Additional Conditional Amount (k) will be paid on the respective Additional Conditional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions less all Additional Conditional Amounts (k) paid on the preceding Additional Conditional Amount Payment Dates (k).

[In the case of Garant Digital Cash Collect Memory Securities with lock-in the following applies:

Moreover, on all Additional Conditional Amount Payment (k) following this Additional Conditional Amount Payment Date (k) the respective Additional Conditional Amount (k) shall be paid regardless whether R (k) is greater than or equal to the Strike.]

If R (k) is lower than the Strike, no Additional Conditional Amount (k) will be paid on the corresponding Additional Conditional Amount Payment Date (k).]

[In case of Garant Digital Cash Collect and Garant Digital Cash Collect Memory Securities with unconditional Additional Amount (l) the following applies:

The respective Additional Unconditional Amount (l) will be paid [moreover] on the respective Additional Unconditional Amount Payment Date (l) pursuant to the provisions of § 6 of the Special Conditions.]]

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 Final Payment 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

Product Type 30: Garant Digital Cash Collect Memory 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;

(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"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**") [Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**") [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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*].]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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**.

"**Final Payment Date**" means the Final Payment Date 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.

"**Floor Level**" means the Floor Level, as specified in § 1 of the Product and Underlying Data.

["**Hedging Disruption**" means that the Issuer[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good*

faith]. Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not considered as Increased Costs of Hedging.]

["**Index-Administrator**" means the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 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 Final Payment Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market*

practice and in good faith]].]

"**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 (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 Final Payment 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

Redemption Amount = Nominal Amount x (Floor Level + Participation Factor x abs(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;

- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is *[Insert number of days]*;

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent *[Insert number of days]* Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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.]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].]*

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].]*

"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**") [Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**") [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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];*
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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.

"**Fund-Benchmark**" means the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;

- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Fund-Benchmark Sponsor.]

"**Final Payment Date**" means the Final Payment Date, 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 beyond the control of 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*];
- (m) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB);
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith,*]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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].]

[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:

(Performance of the Underlying (k))^{1/D(k)}

["**Hedging Disruption**" means that the Issuer[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*] Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*];
- (d) the Reference Price is no longer published in the Underlying Currency.]

"Index-Administrator" means the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] [;];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*].]

[*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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*].]

"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 Final Payment Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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:

$$R \text{ (k)} / R \text{ (initial)}$$

["**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 the case of Securities governed by German law, insert: in its

reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz, "InvStG"*) and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (v) the Fund_i or the Management Company_i or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund_i in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German*

law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [Insert number of days];

"NAV_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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding *[Insert number of days]* Fund-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 Fund-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 Fund-Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent *[Insert number of days]* Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Basket Component_i between two consecutive Fund-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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]*;
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent_i *[in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]*;
- (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; [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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;
- (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 this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§*

- 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (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 [due to reasons for which the Issuer is not solely responsible];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
 - (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed*

by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (x) the Fund_i or the Management Company_i or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund_i in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.] The volatility is calculated on a Calculation Date [that is also a Fund-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 Fund-Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{NAV(t-p)}{NAV(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{NAV(t-q)}{NAV(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Calculation Date;

"P" is [*Insert number of days*];

"NAV_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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [*Insert number of days*] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [*Insert number of days*] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [*Insert number of days*];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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_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;] [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_j 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 $j = 1, \dots, (i-1)$).]

[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 = $\max(K_i \text{ (final)} / K_i \text{ (initial)})$ (where $i = 1, \dots, N$)

[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_j] each day on which the [Reference Price][relevant Reference Price_e] is [normally] published by the [respective Relevant Exchange;][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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**")][Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**")][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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market*

practice and in good faith]].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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.

"Final Payment Date" means the Final Payment Date, 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.

"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-Benchmark" means the index as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Calculation Date" means each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"Fund-Benchmark Reference Price" means the closing price of the Fund-Benchmark.

"Fund-Benchmark Sponsor" means the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Replacement Event" means

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Fund-Benchmark Sponsor.]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]
- [(b) [no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]
- [(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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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_i" 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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. Costs increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (d) the Reference Price is no longer published in the Underlying Currency.]

["Index-Administrator" means, with respect to a Basket Component_i, the natural or legal person that has control over the provision of the Basket Component_i in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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_i][Reference Market_i] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*].]

[*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 Final Payment Date will be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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:

$$(K_{i \text{ best}} \text{ (final)} / K_{i \text{ best}} \text{ (initial)}) \times W_{i \text{ best}}$$

"Performance of the Underlying" means the performance of the Underlying according to the following formula:

$$\text{Performance of the Underlying} = \sum_{i=1}^N (\text{Performance}_{i \text{ best}}).$$

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*].]

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*] 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,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*].]

"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_i (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 Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**")][Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**")][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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]; 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.]

"**Final Payment Date**" means the Final Payment Date, as specified [in the column "Final Payment Date" in Table [●]] 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.

"**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

[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_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 Final Payment Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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_i (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 Final Payment 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.

"**Adjustment Event**" means, with respect to a Basket Component_i, [each of the following events]:

[In the case of a share or a depository receipt as Basket Component_i, the following applies:

- (a) each measure taken by the company that has issued the 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, affect the 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) an early termination performed by the Determining Futures Exchange_i of the there traded Derivatives of the Basket Component_i;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the 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 Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of an index as Basket Component_i, the following applies:

- (a) changes in the relevant Index Concept or the calculation of the Basket Component_i, that result in a new relevant Index Concept or calculation of the Basket Component_i; being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) the calculation or publication of the 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 Basket Component_i 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 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 Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of a commodity as Basket Component_i, the following applies:

- [(a) any changes in the Relevant Trading Conditions of the 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].];
- (b) a Hedging Disruption occurs].]

[In the case of a fund as Basket Component_i other than an 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 and/or transfer of the Fund Shares_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the Basket Component for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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];[.]
- [(•)] [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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Basket Component_i**" is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-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 Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [*Insert number of days*] Fund-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 Fund-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 Fund-Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Basket Component_i between two consecutive Fund-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 ETF as Basket Component_i, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent; [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (e) a change in the legal form of the Fund_i;
- (f) the quotation of the Basket Component_i 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Basket Component_i;
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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; [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities*

governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 Basket Component_i for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (bb) the NAV_i is no longer published in the Currency of the Basket Component_i,
 - (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];[.]

[(•)] [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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Basket Component_i**" is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-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 Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{BRPi}(t-p)}{\text{BRPi}(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{BRPi}(t-q)}{\text{BRPi}(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Fund-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 Fund-Benchmark Reference Price of the Basket Component_i on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Basket Component_i between two consecutive Fund-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 [Relevant Exchange] [Index Sponsor] [Reference Market] [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 a 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
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["**Clearance System**" means, with respect to a Basket Component_i, the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] respective Basket Component_i; such system shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["**Clearance System**" means, with respect to a Fund Share_i, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["**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 Monte Titoli as Clearing System, the following applies:

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[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, with respect to a Basket Component_i, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Basket Component_i is no longer calculated or published in the Currency of the Basket Component[;];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**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.]

"**D (k)**" means the denominator attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

"**Determining Futures Exchange**" means, with respect to a Basket Component_i, the futures exchange, on which respective derivatives of the Basket Component_i (the "**Derivatives**") are most liquidly traded, and as determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 Basket Component_i 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 an ETF as Basket Component_i, 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 Payment Date**" means the Final Payment Date as specified [in the "Final Payment Date" column in Table [●]] in § 1 of the Product and Underlying Data.

"**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.]

"Fund-Benchmark" means, with respect to [the] [a] Fund, the index as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Calculation Date" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"Fund-Benchmark Reference Price" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"Fund-Benchmark Sponsor" means, with respect to [the] [a] Fund-Benchmark,] the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"Fund-Benchmark Replacement Event" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that *[in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent]* *[in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith]* result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine *[in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)]* *[in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]*, which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

[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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

["**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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]]

["**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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Costs increases due to a deterioration of the creditworthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not to be considered as Increased Costs of Hedging.]

"Index-Administrator" means, with respect to a Basket Component_i, the natural or legal person that has control over the provision of the Basket Component_i in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"Index Calculation Agent" means, with respect to a Basket Component_i the respective Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

"Index Conversion Event" means, with respect to a Basket Component_i 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Basket Component_i is no longer calculated or published in the Currency of the Basket Component_i;
- (d) no suitable substitute for the respective Index Sponsor and/or the respective Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"Index Sponsor" means, with respect to a Basket Component_i the respective Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"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, with respect to a Basket Component_i, any of the following events:

[In the case of a share or a depository receipt as Basket Component_i, the following applies:

- (a) the failure of the respective Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Basket Component_i on the respective Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Basket Component_i on the respective Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange or, as the case may be, the respective 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 respective Relevant Exchange or, as the case may be, the respective Determining Futures Exchange.]

[In the case of an index as Basket Component_i, 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 Basket Component_i] [components of the Basket Component_i] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Basket Component_i are listed or traded;
- (b) in relation to [individual securities which form the basis of the Basket Component_i] [components of the Basket Component_i], 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 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 Basket Component_i as a result of a decision by the respective Index Sponsor or the respective Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange or, as the case may be, the respective 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 a commodity as Basket Component_i, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the Basket Component_i on the respective Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Basket Component_i on the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market or, as the case may be, the respective 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 respective Reference Market or, as the case may be, the respective Determining Futures Exchange.]

[In the case of a fund as Basket Component_i, other than an 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of an ETF as Basket Component_i, 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 Basket Component_i on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Basket Component_i 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 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 Final Payment 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 Final Payment 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 Final Payment 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 Final Payment 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 Market**" means the Reference Market 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.

["**Relevant Exchange**" means, with respect to a Basket Component_i the [Relevant Exchange as specified in § 2 of the Product and Underlying Data.] [exchange on which the components of the Basket Component_i are most liquidly traded; such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

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 Basket Component_i at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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.

["**Settlement Cycle**" means, with respect to a Basket Component_i, the period of Clearance System Business Days following a transaction on the respective Relevant Exchange in the [securities that form the basis of the] Basket Component_i during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

["**Settlement Cycle**" means, with respect to a Fund Share_i, 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.]

["**Share Conversion Event**" means, with respect to a Basket Component_i, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**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_i.

["**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 Final Payment 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

[In the case of a basket consisting of shares or a depository receipts as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to a Basket Component, each of the following events:

- (a) each measure taken by the company that has issued the respective Basket Component 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 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) an early termination performed by the respective Determining Futures Exchange of the there traded Derivatives of the respective Basket Component;
- (c) an adjustment performed by the respective Determining Futures Exchange of the there traded Derivatives of the respective Basket Component, 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; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of a basket consisting of indices as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to a Basket Component, each of the following events:

- (a) changes in the relevant Index Concept or the calculation of the respective Basket Component, 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 being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component;
- (b) the calculation or publication of the respective Basket Component 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 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 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; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of a basket consisting of commodities as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to a Basket Component[, each of the following events]:

- (a) any changes in the Relevant Trading Conditions of the respective Basket Component 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] [;
- (b) a Hedging Disruption occurs].]

[In the case of a fund other than an ETF as Basket Component or as Underlying B, the following applies:

"**Adjustment Event**" means, with respect to [the] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] [Basket Component] [or] [Underlying B], each of the following events:

[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 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent; [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the NAV as scheduled or in accordance with normal practice or as specified in Fund Documents [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert:* in its reasonable

discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 [a Basket Component] [or] [the Underlying B] for the Securities [due to reasons for which the Issuer is not solely responsible];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (v) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (z) NAV is no longer published in the Currency of [the Basket Component,] [or] [the Underlying B].
- (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];[.].
- [(●)] [the historic "**Volatility of the Fund Share**" exceeds a volatility level of [Insert]%.] the historic "**Volatility of the Fund Share**" exceeds the historic Volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Fund Share**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV over the immediately preceding [Insert number of days] Calculation Dates [that are also Fund-Benchmark Calculation Date] in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{NAV}(t-p)}{\text{NAV}(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{NAV}(t-q)}{\text{NAV}(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

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 Fund Share 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 Fund-Benchmark Calculation Date] using the daily returns of the NAV for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level for the Fund Share of [Insert the respective %] respectively.]

[The "**Volatility of the Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price of the Fund-Benchmark on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [Insert number of days] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Fund-Benchmark between two consecutive Fund-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 ETF as Basket Component or Underlying B, the following applies:

"**Adjustment Event**" means, with respect to [the] [an] [Exchange Traded Fund] [as] [Basket Component] [or] [Underlying B], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq.

- BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
 - (e) a change in the legal form of the Fund;
 - (f) the quotation of the Fund Share 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Fund Share or the Fund;
 - (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;
 - (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 this is the case shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [a Basket Component] [or] [the Underlying B] for the Securities [due to reasons for which the Issuer is not solely responsible];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (bb) the NAV is no longer published in the Currency of [the Basket Component_i] [or] [the Underlying B],

- (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];[.].
- [(•)] [the historic Volatility of the Fund Share exceeds a volatility level of [Insert]%.] [the historic Volatility of the Fund Share exceeds the historic volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Fund Share**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV over the immediately preceding [Insert number of days] Calculation Dates [that are also Fund-Benchmark Calculation Date] in each case using the following formula:

$$\sigma_i(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{NAV}(t-p)}{\text{NAV}(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{NAV}(t-q)}{\text{NAV}(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

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 Fund Share 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 Fund-Benchmark Calculation Date] [that are also Fund-Benchmark Calculation Dates] using the daily returns of the NAV for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level for the Fund Share of [Insert the respective %] respectively.]

[The "**Volatility of the Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-Benchmark Calculation Dates which are also Calculation Dates in each case using the following formula:

$$\sigma(t) = \sqrt{\frac{\sum_{p=1}^P \left[\ln \left[\frac{\text{BRP}(t-p)}{\text{BRP}(t-p-1)} \right] - \frac{1}{P} \times \left(\sum_{q=1}^P \ln \left[\frac{\text{BRP}(t-q)}{\text{BRP}(t-q-1)} \right] \right) \right]^2}{P-1}} \times \sqrt{252}$$

Where:

"t" is the relevant Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price of the Fund-Benchmark on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Fund-Benchmark between two consecutive Fund-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, with respect to [the] [a] Fund, [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.] [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, with respect to [the] [a] Fund, [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.]] [a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report.]]

"**B (t)**" means the Reference Price of the Underlying B on the Calculation Date (t).

"**B (t-1)**" means the Reference Price of the Underlying B on the Calculation Date immediately preceding the respective Calculation Date (t).]

"**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**," means the [share] [index] [commodity] [Fund Share] as specified in § 1 of the Product and Underlying Data (each a "**Basket Component**" 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 for all Basket Components [and the Underlying B] is normally published by the [respective] [Relevant Exchange] [Index Sponsor or Index Calculation Agent] [Reference Market] [,] [Fund or 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 [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Issuer] [*in the case of Securities governed by Italian law, insert:* as determined by the Issuer acting in accordance with relevant market practice and in good faith]

- [(a)] the holding, acquisition or sale of [a Basket Component] [or] [the Underlying B] 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 Monte Titoli as Clearing System, the following applies:

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[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)].]

["**Clearance System**" means, with respect to a Basket Component, the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] respective Basket Component; such system shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**Clearance System**" means, with respect to [the] [a] [Fund Share] [Underlying B], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**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, with respect to a Basket Component, 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 [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occurs;
- (c) the relevant Basket Component is no longer calculated or published in the relevant Currency of the Basket Component; [;
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**Conversion Event**" means, with respect to the Basket Components, [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event] [Fund Conversion Event] [and, with respect to the Underlying B, Fund Conversion Event].

"**Currency of the Basket Component_i**" means, with respect to a Basket Component_i, the Currency of the Basket Component_i as specified in § 2 of the Product and Underlying Data.

"**Currency of the Underlying B**" means, with respect to the Underlying B, the Underlying Currency as specified in § 2 of the Product and Underlying Data.]

"**Custodian Bank**" means, with respect to [the] [a] Fund, [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.] [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.

"**Determining Futures Exchange**" means, with respect to a Basket Component, the futures exchange, on which respective derivatives of the Basket Component [or – if derivatives on the Basket Component are not traded – its components] (the "**Derivatives**") are traded, and as determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 respective Basket Component [or to its components] at the Determining Futures Exchange or a considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange (the "**Substitute Futures Exchange**"). In this case, any reference in the Terms and Conditions of these Securities to the Determining Futures Exchange, shall be deemed to refer to the Substitute Futures Exchange.]

"**Determining Futures Exchange**" means, with respect to the Underlying B, the futures exchange, on which respective derivatives of the Underlying B (the "**Derivatives**") are traded, and as determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 B at the Determining Futures Exchange or a considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange (the "**Substitute Futures Exchange**"). In this case, any reference in the Terms and Conditions of these Securities to the Determining Futures Exchange, shall be deemed to refer to the Substitute Futures Exchange.]

"**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_{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.]

"**Fee_{ULB} (Fee_{ULB})**" means the Fee_{ULB} as specified in § 1 of the Product and Underlying Data.]

"**Final Payment Date**" means the Final Payment Date 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**" 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-Benchmark**" means, with respect to [the] [a] Fund, the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means, with respect to [the] [a] Fund-Benchmark,] the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities*

governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;

- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

"**Fund Conversion Event**" means, with respect to [the] [a] Fund Share or [the] [a] Fund, each of the following events:

- [(a)] no Replacement Fund is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];]
- [(●)] no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- [(●)] a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- [(●)] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].

"**Fund Documents**" means, with respect to [the] [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 are specified.

"Fund Management" means, with respect to [the] [a] Fund, the persons responsible for the portfolio and/or the risk management of the Fund.

"Fund Services Provider" means, with respect to [the] [a] Fund and if available, the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor.

"Fund Share" means, with respect to [a Basket Component] [or] [the Underlying B], a unit or share of the Fund and of the class set out [in the "Basket Component_i"] [and] [in the "Underlying B"] column in § [1][2] of the Product and Underlying Data.]

["Hedging Disruption" means that the Issuer[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Cost increases due to a deterioration of the creditworthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not to be considered as Increased Costs of Hedging.]

[In the case of a basket consisting of indices as Underlying A, the following applies:

["Index-Administrator" means, with respect to a Basket Component_i, the natural or legal person that has control over the provision of the Basket Component_i in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"Index Calculation Agent" means, with respect to a Basket Component, the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

"Index Conversion Event" means, with respect to a Basket Component, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities*

governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occurs;
- (c) the relevant Basket Component is no longer calculated or published in the relevant Currency of the Basket Component;];
- (d) no suitable substitute for the respective Index Sponsor and/or the respective Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith] [;];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].]

"Index Sponsor" means, with respect to a Basket Component, the Index Sponsor as specified in § 2 of the Product and Underlying Data.

"Index Component" means, with respect to a Basket Component, an asset or a reference value which is incorporated in the calculation of the Basket Component at the relevant time.]

"Initial Strategy Calculation Date" means the [first] Initial Observation Date.

"Investment Adviser" means, with respect to [the] [a] Fund, [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.] [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.

"Ln ()" means the natural logarithm of the base in brackets.

"K_i (t)" means, with respect to a Basket Component_i, the Reference Price with respect to the Calculation Date_i.

"K_i (t-1)" means, with respect to a Basket Component_i, the Reference Price with respect to the Calculation Date immediately preceding the Calculation Date_i.

"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.

["**Management Company**" means, with respect to [the] [a] Fund, [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.] [a person, company or institution that manages the Fund according to the Fund Documents.]]

[In the case of a basket consisting of shares or depository receipts as Underlying A, the following applies:

"**Market Disruption Event**" means, with respect to a Basket Component, each of the following events:

- (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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith]. 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 A, the following applies:

"**Market Disruption Event**" means, with respect to a Basket Component, each of the following events:

- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith]][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]]. 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_i][Reference Market_i] or, as the case may be, the Determining Futures Exchange_i.]

[In the case of a basket consisting of commodities as Underlying A, the following applies:

"**Market Disruption Event**" means, with respect to a Basket Component, each of the following events:

- (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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith]. 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 other than an ETF as Basket Component or Underlying B, the following applies:

"**Market Disruption Event**" means, with respect to [the] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] [Basket Component] [or] [Underlying B], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of an ETF as Basket Component or Underlying B, the following applies:

"**Market Disruption Event**" means, with respect to [the] [an] [Exchange Traded Fund] [as] [Basket Component] [or] [Underlying B], each of the following events:

- (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 Fund or the Fund Share on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Fund or the Fund Share 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**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.

"**NAV**" means, with respect to [the] [a] Fund Share, the official net asset value (the "**Net Asset Value**") for the 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] [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 [or the Underlying B]], the immediately following Banking Day which is a Calculation Date shall be the [respective] Initial Observation Date [for all Basket Components [and the Underlying B]].]

"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 [or the Underlying B]], the immediately following Banking Day which is a Calculation Date shall be the [respective] Final Observation Date [for all Basket Components [and the Underlying B]]. [If the last Final Observation Date is not a Calculation Date, then the Final Payment 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" means, with respect to [the] [a] Fund Share or [the] [a] Fund, [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.] [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 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" means, with respect to a Basket Component, the relevant Reference Market as specified in § 2 of the Product and Underlying Data.]

"Reference Price" means, with respect to a Basket Component [or the Underlying B], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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-Administrator" means, with respect to the Reference Rate, the natural or legal person that has control over the provision of the Reference Rate in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 1 of the Product and Underlying Data is specified whether the Reference Rate-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"Reference Rate Reset Date" means the [*insert number of days*] Calculation Date immediately preceding the] Calculation Date.].

"Relevant Exchange" means, with respect to a Basket Component, the [respective Relevant Exchange as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component are traded, as determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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, such as a final discontinuation of the quotation of the respective Basket Component [or, respectively its components] at the respective Relevant Exchange and the quotation at a different stock exchange or considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 shall be deemed to refer to the respective Substitute Exchange.]

"Relevant Exchange" means, with respect to the Underlying B, the respective 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 B at the Relevant Exchange and the quotation at a different stock exchange or considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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 shall be deemed to refer to the respective Substitute Exchange.]

"**Return of Underlying A_t**" means the Return of Underlying A_t as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

$$\text{Return of Underlying A}_t = \sum_{i=1}^N \sum_{i=1}^N (\text{Performance of the Basket Component}_{i,t} \times W_i) - 1$$

"**Return of Underlying A_{t-VOP-Offset+j}**" means the Return of Underlying A 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 A_{t-VOP-Offset+k}**" means the Return of Underlying A as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+k Calculation Dates prior to the respective Calculation Date_t.

"**Return of Underlying B_t**" means [Rate_{t-1}] [the return of Underlying B as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

$$\text{Return of Underlying B}_t = B(t) / B(t-1) - 1]$$

["**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.

["**Settlement Cycle**" means, with respect to a Basket Component, the period of Clearance System Business Days following a transaction on the respective Relevant Exchange in the [securities that form the basis of the] Basket Component during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

["**Settlement Cycle**" means, with respect to [the] [a] [Fund Share] [Underlying B], 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, with respect to a Basket Component, each of the following events:

- (a) the quotation of the respective Basket Component at the Relevant Exchange is finally ceased no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) the quotation of the respective Basket Component at the Relevant Exchange no longer occurs in the Currency of the Basket Component;
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**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 A**" means a basket (the "**Basket**") consisting of the Basket Components.

"**Underlying B**" means the [Underlying B as specified in § 1 of the Product and Underlying Data] [Reference Rate].

"**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_i (W_i)**" means, with respect to the Basket Component_i, 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 Final Payment 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:

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times \text{Return of Underlying } B_t [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 - \text{Fee}_{TVL} \times \text{Days}_{t-1,t} / 360 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times \text{Return of Underlying } B_t [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times \text{Return of Underlying } B_t [x \text{ Days}_{t-1,t} / 360] - \text{Fee}_{Strat} \times \text{Days}_{t-1,t} / 360)]$$

$$[TVL_t = TVL_{t-1} \times (1 - \text{Fee}_{TVL} \times \text{Days}_{t-1,t} / 360 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times \text{Return of Underlying } A_t + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360] - \text{Fee}_{Strat} \times \text{Days}_{t-1,t} / 360)]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times (\text{Return of Underlying } A_t - \text{Fee}_{Basket} \times \text{Days}_{t-1,t} / 360) + (1 - DW_{t-1}) \times \text{Return of Underlying } B_t [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times (\text{Return of Underlying } A_t - \text{Fee}_{Basket} \times \text{Days}_{t-1,t} / 360) + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 - \text{Fee}_{TVL} \times \text{Days}_{t-1,t} / 360 + DW_{t-1} \times (\text{Return of Underlying } A_t - \text{Fee}_{Basket} \times \text{Days}_{t-1,t} / 360) + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360])]$$

$$[TVL_t = TVL_{t-1} \times (1 + DW_{t-1} \times (\text{Return of Underlying } A_t - \text{Fee}_{Basket} \times \text{Days}_{t-1,t} / 360) + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{ULB} [x \text{ Days}_{t-1,t} / 360]) [x \text{ Days}_{t-1,t} / 360] - \text{Fee}_{Strat} \times \text{Days}_{t-1,t} / 360)]$$

$$[TVL_t = TVL_{t-1} \times (1 - \text{Fee}_{TVL} \times \text{Days}_{t-1,t} / 360$$

$$\begin{aligned}
& + DW_{t-1} \times (\text{Return of Underlying } A_t - \text{Fee}_{\text{Basket}} \times \text{Days}_{t-1,t} / 360) \\
& + (1 - DW_{t-1}) \times (\text{Return of Underlying } B_t - \text{Fee}_{\text{ULB}} [\times \text{Days}_{t-1,t} / 360]) [\times \text{Days}_{t-1,t} / 360] \\
& - \text{Fee}_{\text{Strat}} \times \text{Days}_{t-1,t} / 360]
\end{aligned}$$

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 Underlying A with respect to the Calculation Date_t and (iii) the dynamically weighted [daily fraction (Act/360) of the] Return of Underlying B. [The calculation takes into account [the Fee_{TVL}] [,] [and] [the Fee_{Basket}] [,] [and] [the Fee_{ULB}] [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

$$\begin{aligned}
& = \sqrt{\frac{1}{\text{VOP} - 1} \times \sum_{j=1}^{\text{VOP}} (\text{LnBasketPerformance}_{t-\text{VOP}-\text{Offset}+j} - \text{LnAverageBasketPerformance}_{t-\text{Offset}})^2} \\
& \times \sqrt{252}
\end{aligned}$$

Where:

LnBasketPerformance_{t-VOP-Offset+j} means Ln(1 + Return of Underlying A_{t-VOP-Offset+j})

LnAverageBasketPerformance_{t-Offset} means $\frac{1}{\text{VOP}} \times \sum_{k=1}^{\text{VOP}} \text{Ln}(1 + \text{Return of Underlying } A_{t-\text{VOP}-\text{Offset}+k})$

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]:

[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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].;
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 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 an Underlying of the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of*

Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (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][:][.]
- [(•)] [the historic Volatility of the Underlying exceeds a volatility level of [Insert]%.] [the historic Volatility of the Underlying exceeds the historic volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Underlying**" is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [*Insert number of days*];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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, 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.]

"**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 [Relevant Exchange] [the Index Sponsor] [Reference Market] [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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Issuer] [in the case of Securities governed by Italian law, insert: as determined by the Issuer acting in accordance with relevant market practice and in good faith]

- [(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 Monte Titoli as Clearing System, the following applies:

"Clearing System" means Monte Titoli S.p.A., Milan, Italy ("Monte Titoli").]

[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)].*

"Clearance System" means the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] Underlying; such system shall be determined by the Calculation Agent *[in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].*

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].*

"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:

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];*

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"**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,_i] [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.

"**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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**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_{Underlyingt} 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315

et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 Payment Date**" means the Final Payment Date 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-Benchmark**" means, with respect to [the] [an] Underlying [A] [B], the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means, with respect to [the] [a] Fund-Benchmark,] the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to

determine [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];]
- [(●) no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]];
- [(●) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s] [;
- [(●) 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. Cost increases due to a deterioration of the creditworthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not to be considered as Increased Costs of Hedging.]

["Index-Administrator"] means, with respect to the Underlying, the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"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 (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" 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].] 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 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 an 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 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

"**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 [each of] the Initial Observation Date[s] specified in § 1 of the Product and Underlying Data. If [the] [a] Initial Observation Date is not a Calculation Date for the Underlying, the immediately following Banking Day which is a Calculation Date shall be the [respective] 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 the [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 Final Payment 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.]

[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.]

"R (l)" means the Level of the Target Vol Strategy on the Observation Date (l).

"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" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315

et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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-Administrator" means, with respect to the Reference Rate, the natural or legal person that has control over the provision of the Reference Rate in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 1 of the Product and Underlying Data is specified whether the Reference Rate-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"Reference Rate Reset Date" means the [[*insert number of days*] Calculation Date immediately preceding the] Calculation Date.

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"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.

"Settlement Cycle" means the period of Clearance System Business Days following a transaction on the Relevant Exchange 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.]

"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 Underlying at the Relevant Exchange is finally ceased no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"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 the Underlying 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.

"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 Final Payment 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

$$= \sqrt{\frac{1}{VOP - 1} \times \sum_{j=1}^{VOP} (\text{LnUnderlyingPerformance}_{t-VOP-Offset+j} - \text{LnAverageUnderlyingPerformance}_{t-Offset})^2} \times \sqrt{252}$$

Where:

$\text{LnUnderlyingPerformance}_{t-VOP-Offset+j}$ means $\text{Ln}(1 + \text{Return of Underlying}_{t-VOP-Offset+j})$

$\text{LnAverageUnderlyingPerformance}_{t-Offset}$ means $\frac{1}{VOP} \times \sum_{k=1}^{VOP} \text{Ln}(1 + \text{Return of Underlying}_{t-VOP-Offset+k})$

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, with respect to a Basket Component_i [each of the following events]:

[In the case of a share or a depository receipt as Basket Component_i, the following applies:]

- (a) each measure taken by the company that has issued the 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, affect the 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) an early termination performed by the Determining Futures Exchange_i of the there traded Derivatives of the Basket Component_i;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the 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 Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of an index as Basket Component_i, the following applies:]

- (a) changes in the relevant Index Concept or the calculation of the Basket Component_i, that result in a new relevant Index Concept or calculation of the Basket Component_i, being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) the calculation or publication of the 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 Basket Component_i 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 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 Basket Component_i; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of a commodity as Basket Component_i, the following applies:

- [(a)] any changes in the Relevant Trading Conditions of the 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].];
- (b) a Hedging Disruption occurs].]

[In the case of a fund as Basket Component_i other than an ETF, the following applies:

- (a) changes are made in one of the Fund Documents_i without the consent of the Calculation Agent which [*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent*] [*in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith*] 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; whether the conditions are fulfilled shall be determined by the Calculation Agent_i [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith], 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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] 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 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 or the Management Company_i;
- (r) the Issuer loses the right to use the Fund_i as a Basket Component_i for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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];[.]
- [(•)] [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 Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Basket Component_i**" is calculated on a Calculation Date [that is also a Fund-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 Fund-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 Fund-Benchmark Calculation Date] using the daily returns of the NAV_i for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [Insert number of days] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Basket Component_i between two consecutive Fund-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 [Relevant Exchange] [Index Sponsor] [Reference Market] [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 case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Issuer] [in the case of Securities governed by Italian law, insert: as determined by the Issuer acting in accordance with relevant market practice and in good faith]

- [(a)] the holding, acquisition or sale of a Basket Component_i 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 Monte Titoli as Clearing System, the following applies:

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[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)].]

"**Clearance System**" means, with respect to a Basket Component_i, the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] respective Basket Component_i; such system shall be determined by the Calculation Agent [in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith].]

["**Clearance System**" means, with respect to a Fund Share_i, the principal domestic clearance system customarily used for settling subscriptions or redemptions of Fund Shares; such system determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**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, with respect to a Basket Component_i, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Basket Component_i is no longer calculated or published in the Currency of the Basket Component[;];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**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**" means, with respect to a Basket Component_i, the futures exchange, on which respective derivatives of the Basket Component_i (the "**Derivatives**") are most liquidly traded, and as determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 Basket Component_i 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 the case of Securities*

governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB) [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]. 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.]

"**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 Payment Date**" means the Final Payment Date 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-Benchmark**" means, with respect to [the] [a] Fund, the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means, with respect to [the] [a] Fund-Benchmark,] the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [in the case of Securities governed by Italian law, insert: as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- ([●]) no Replacement Management Company_i is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- ([●]) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- ([●]) 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. Costs increases due to a deterioration of the creditworthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not to be considered as Increased Costs of Hedging.]

["Index-Administrator" means, with respect to a Basket Component_i, the natural or legal person that has control over the provision of the Basket Component_i in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as Fund-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 "**Fund-Benchmark-Regulation**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the **Fund-Benchmark-Regulation**.]

["Index Calculation Agent" means, with respect to a Basket Component_i the respective Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

["Index Conversion Event" means, with respect to a Basket Component_i 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Basket Component_i is no longer calculated or published in the Currency of the Basket Component_i;
- (d) no suitable substitute for the respective Index Sponsor and/or the respective Index Calculation Agent is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"**Index Sponsor**" means, with respect to a Basket Component_i, the respective Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"**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_t.

"**K_i (t-1)**" means the Reference Price_i with respect to the Calculation Date immediately preceding the Calculation Date_t.

"**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, with respect to a Basket Component_i, each of the following events:

[In the case of a share or a depository receipt as Basket Component_i, the following applies:

- (a) the failure of the respective Relevant Exchange to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the Basket Component_i on the respective Relevant Exchange;

- (c) in general the suspension or restriction of trading in a Derivative of the Basket Component_i on the respective Determining Futures Exchange;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange or, as the case may be, the respective 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 respective Relevant Exchange or, as the case may be, the respective Determining Futures Exchange.]

[In the case of an index as Basket Component_i, 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 Basket Component_i] [components of the Basket Component_i] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Basket Component_i are listed or traded;
- (b) in relation to [individual securities which form the basis of the Basket Component_i] [components of the Basket Component_i], 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 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 Basket Component_i as a result of a decision by the respective Index Sponsor or the respective Index Calculation Agent;

[to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange or, as the case may be, the respective 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 a commodity as Basket Component_i, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the Basket Component_i on the respective Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Basket Component_i on the respective 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith]. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market or, as the case may be, the respective 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 respective Reference Market or, as the case may be, the respective Determining Futures Exchange.]

[In the case of a fund as Basket Component_i other than an 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"**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 Final Payment 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 a 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.]

[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.]

"Redemption Amount" means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

"Reference Market" means the Reference Market 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.

"Relevant Exchange" means, with respect to a Basket Component_i, the [Relevant Exchange as specified in § 2 of the Product and Underlying Data.] [exchange on which the components of the Basket Component_i are most liquidly traded; such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

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 Basket Component_i at the Relevant Exchange and the quotation at a different stock exchange or a considerably restricted number or liquidity, the Calculation Agent will [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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.]

"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:

$$\text{Return of Basket}_t = \sum_{i=1}^N \sum_{i=1}^N (\text{Performance of the Basket Component}_{i,t} \times W_i) - 1$$

"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.

"Settlement Cycle" means, with respect to a Basket Component_i, the period of Clearance System Business Days following a transaction on the respective Relevant Exchange in the [securities that form the basis of the] Basket Component_i during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

"Settlement Cycle" means, with respect to a Fund Share, 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, with respect to a Basket Component_i, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed*

by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**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_i.

"**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 Final Payment 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:

$$\text{TVL}_{\text{Initial}} = 100$$

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:

$$\begin{aligned} \text{TVL}_t = & \text{TVL}_{t-1} \times (1 \\ & - (\text{Fee}_{\text{TVL}} + \text{Fee}_{\text{StratFix}} + \text{Fee}_{\text{StratVariable},t-1}) \times \text{Days}_{t-1,t} / 360 \\ & + \text{DW}_{t-1} \times \text{Return of Basket}_t \\ & + (1 - \text{DW}_{t-1}) \times (\text{Rate}_{t-1} - \text{Fee}_{\text{RateVariable},t-1}) \times \text{Days}_{t-1,t} / 360) \end{aligned}$$

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:

$$\text{DW}_t = \frac{\text{Target Volatility}}{\text{Basket Volatility}_t}$$

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:

$$\begin{aligned} & \text{Basket Volatility}_t \\ = & \sqrt{\frac{1}{\text{VOP} - 1} \times \sum_{j=1}^{\text{VOP}} (\text{LnBasketPerformance}_{t-\text{VOP}-\text{Offset}+j} - \text{LnAverageBasketPerformance}_{t-\text{Offset}})^2} \\ & \times \sqrt{252} \end{aligned}$$

Where:

LnBasketPerformance_{t-VOP-Offset+j} means Ln(1 + Return of Basket_{t-VOP-Offset+j})

LnAverageBasketPerformance_{t-Offset} means $\frac{1}{\text{VOP}} \times \sum_{k=1}^{\text{VOP}} \text{Ln}(1 + \text{Return of Basket}_{t-\text{VOP}-\text{Offset}+k})$

Product Type 29: Telescope Securities linked to Target Vol Strategies

[Product Type 29: In the case of Telescope Securities linked to Target Vol Strategies the following applies:

§ 1

Definitions

"**A (t_i)**" means the Reference Price of the Underlying A on the Strategy Calculation Date_i.

"**A (t_{i-1})**" means in relation to a Strategy Calculation Date_i the Reference Price of the Underlying A for the Strategy Calculation Date_{i-1}.

"**A (t_{i-VOPO-VOPL+j})**" means the Reference Price of the Underlying A on VOP Calculation Date_{i-VOPO-VOPL+j}.

"**A (t_{i-VOPO-VOPL+j-1})**" means in relation to a VOP Calculation Date_{i-VOPO-VOPL+j} the Reference Price of the Underlying A on the Calculation Date immediately preceding VOP Calculation Date_{i-VOPO-VOPL+j}.

"**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) attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

[In the case of a share or a depository receipt as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to the Underlying A, each of the following events:

- (a) each measure taken by the company that has issued the Underlying A 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 A 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying A;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying A, 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 A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of an index as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to the Underlying A, each of the following events:

- (a) changes in the relevant Index Concept or the calculation of the Underlying A, that result in a new relevant Index Concept or calculation of the Underlying A being no longer economically equivalent to the original relevant Index Concept or the original

calculation of the Underlying A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (b) the calculation or publication of the Underlying A 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 A 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 A 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 A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[In the case of a commodity as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to the Underlying A[, each of the following events]:

- [(a)] any changes in the Relevant Trading Conditions of the Underlying A 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].];
- (b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying other than ETF, the following applies:

"**Adjustment Event**" means, with respect to [the] [an] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] Underlying [A] [B], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§*

- 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the NAV as scheduled or in accordance with normal practice or as specified in Fund Documents [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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; or (v) the Fund no longer qualifies as a fund which is established and authorised in accordance with the provisions 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), as amended or replaced from time to time;
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 an Underlying of the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (y) any other event that could have a noticeable adverse effect on the 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (z) the NAV is no longer published in the [relevant] Underlying Currency;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to [each Calculation Date] [at least 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 within [*Insert number of days*] Banking Day[s];
- [(bb) a Hedging Disruption or Increased Cost of Hedging occurs;]
- [(●)] [the historic Volatility of the Underlying [A] [B] exceeds a volatility level of [*Insert*]%.] [the historic Volatility of the Underlying [A] [B] exceeds the historic Volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [*Insert*]%.]

The "**Volatility of the Underlying [A] [B]**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV over the immediately preceding [*Insert number of days*] Calculation Dates [that are also Fund-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 of the Underlying [A] [B] 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 Fund-Benchmark Calculation Date] using the daily returns of the NAV for the most recent [*Insert number of days*] Calculation Dates [that are also Fund-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 Fund-Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level of [*Insert*].%

[The "**Volatility of the Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [*Insert number of days*] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [*Insert number of days*];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price of the Fund-Benchmark on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Fund-Benchmark between two consecutive Fund-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, with respect to [the] [an] [Exchange Traded Fund] [as] Underlying [A] [B], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Days];
- (e) a change in the legal form of the Fund;
- (f) the quotation of the Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying [A] [B];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 an Underlying for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "InvStG") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (x) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities*

governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];
- (bb) the NAV is no longer published in the [relevant] 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];[.].]

- [(•)] [the historic Volatility of the Underlying [A] [B] exceeds a volatility level of [Insert]%.] [the historic Volatility of the Underlying [A] [B] exceeds the historic Volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Underlying [A] [B]**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying [A] [B] over the immediately preceding [*Insert number of days*] Calculation Dates [that are also Fund-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 [A] [B] 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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying [A] [B] for the most recent [*Insert number of days*] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [*Insert number of days*] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [*Insert number of days*];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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, with respect to [the] [an] Underlying [A] [B], [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.] [a person, company or institution appointed according to the Fund Documents for the purpose of 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, with respect to [the] [an] Underlying [A] [B], [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.] [a person, company or institution appointed according to the Fund Documents for the purpose of auditing the Fund in connection with the annual report.]]

"**B (t_i)**" means the Reference Price of the Underlying B on the Strategy Calculation Date_i.

"**B (t_{i-1})**" means in relation to a Strategy Calculation Date_i the Reference Price of the Underlying B for the Strategy Calculation Date_{i-1}.]

"**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.]

"**Calculation Agent**" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"**Calculation Currency**" means the Calculation Currency as specified in § 1 of the Product and Underlying Data.

"**Calculation Date**" means each day on which the Reference Price for the Underlying A [and the Underlying B] is [scheduled to be] published by the [Relevant Exchange] [Index Sponsor or Index Calculation Agent] [Reference Market] [,] [Fund or Management Company].

["**Calculation Date for Strategy Reference Rate**" means each day on which the Strategy Reference Rate is scheduled to be published on the Screen Page for the Strategy Reference Rate.]

["**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 case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Issuer] [*in the case of Securities governed by Italian law, insert:* as determined by the Issuer acting in accordance with relevant market practice and in good faith]

[(a)] the holding, acquisition or sale of an 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.]

["**Clearance System**" means, with respect to the Underlying A, the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] Underlying A ; such system shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**Clearance System**" means, with respect to [the] [an] Underlying [A] [B], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**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 Monte Titoli as Clearing System, the following applies:*

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[*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, with respect to Underlying A, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Underlying A is no longer calculated or published in the [relevant] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**Conversion Event**" means, with respect to the Underlying A, [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event] [Fund Conversion Event] [and, with respect to Underlying B, a Fund Conversion Event].

"**Custodian Bank**" means, with respect to [the] [an] Underlying [A] [B], [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.] [a person, company or institution acting as custodian of the Fund'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.

"**Days_{i-1,i}**" means in relation to a Strategy Calculation Date, the number of calendar days from and including the Strategy Calculation Date_{i-1} to but excluding the Strategy Calculation Date_i.

"**Designated Maturity for the Strategy Reference Rate**" means the Designated Maturity for the Strategy Reference Rate as specified in § 1 of the Product and Underlying Data.]

[In the case of an Index as Underlying A, the following applies:

"**Determining Futures Exchange**" means, with respect to the Underlying A, the futures exchange, on which derivatives of the Underlying A or – if derivatives on the Underlying A are not traded – of its components (the "**Derivatives**") are most liquidly traded; such futures exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq.

BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 a share or an ETF as Underlying, the following applies:

"**Determining Futures Exchange**" means, with respect to [the] [an] Underlying [A] [B], the futures exchange, on which derivatives of the Underlying [A] [B] (the "**Derivatives**") are most liquidly traded; such futures exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**DW_i**" means the Dynamic Weight in relation to the Strategy Calculation Date_i.

"**DW_{i-1}**" means in relation to the Strategy Calculation Date_i the Dynamic Weight for Strategy Calculation Date_{i-1}.

"**Dynamic Weight**" means the Dynamic Weight as calculated or specified pursuant to § 2 (4) of the Special Conditions.

[In the case of an 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.]

["**Fee_{TVL}**" means the Fee_{TVL} as specified in § 1 of the Product and Underlying Data. [The Calculation Agent has the right to increase or decrease the Fee_{TVL} [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*; acting in accordance with relevant market practice and in good faith,] within the Maximum Permissible Value Range for Fee_{TVL} on any Strategy Calculation Date. Upon an increase or decrease of Fee_{TVL}, the modified Fee_{TVL} shall be deemed to be applicable for the first time in relation to the immediately following Strategy Calculation Date.]]

["**Fee_{Strat}**" means the Fee_{Strat} as specified in § 1 of the Product and Underlying Data. [The Calculation Agent has the right to increase or decrease the Fee_{Strat} [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*; acting in accordance with relevant market practice and in good faith,] within the Maximum Permissible Value Range for Fee_{Strat} on any Strategy Calculation Date. Upon an increase or decrease of Fee_{Strat}, the modified Fee_{Strat} shall be deemed to be applicable for the first time in relation to the immediately following Strategy Calculation Date.]]

["**Fee_{ULA}**" means the Fee_{ULA} as specified in § 1 of the Product and Underlying Data. [The Calculation Agent has the right to increase or decrease the Fee_{ULA} [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*; acting in accordance with relevant market practice and in good faith,] within the Maximum Permissible Value Range for Fee_{ULA} on any Strategy Calculation Date. Upon an increase or decrease of Fee_{ULA}, the modified Fee_{ULA} shall

be deemed to be applicable for the first time in relation to the immediately following Strategy Calculation Date.]]

["**Fee_{ULB}**" means the Fee_{ULB} as specified in § 1 of the Product and Underlying Data. [The Calculation Agent has the right to increase or decrease the Fee_{ULB} [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*; acting in accordance with relevant market practice and in good faith,] within the Maximum Permissible Value Range for Fee_{ULB} on any Strategy Calculation Date. Upon an increase or decrease of Fee_{ULB}, the modified Fee_{ULB} shall be deemed to be applicable for the first time in relation to the immediately following Strategy Calculation Date.]]

"**First Strategy Calculation Date**" means the Initial Observation Date.

"**First Trade Date**" means the First Trade Date 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-Benchmark**" means, with respect to [the] [an] Underlying [A] [B], the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means, with respect to [the] [a] Fund-Benchmark,] the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any

calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

["Fund Conversion Event" means, with respect to [the] [an] Underlying [A] [B], each of the following events:

- (a) no Replacement Underlying is available in case of a Fund Replacement Event; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (c) a Change in Law [and/or Hedging Disruption] [and/or Increased Costs of Hedging] occur[s].]

["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 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 are specified.]

["Fund Management" means, with respect to [the] [an] Underlying [A] [B], the persons responsible for the portfolio and/or the risk management of the Fund.]

["Fund Replacement Event" means, with respect to [the] [an] Underlying [A] [B], an event where 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; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["Fund Services Provider" means, with respect to [the] [an] Underlying [A] [B] and if available, the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor [of the Fund].]

["Fund Share" means, with respect to [the] [an] Underlying [A] [B], 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[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not considered as Increased Costs of Hedging.]

["Index-Administrator" means, with respect to [the] [an] Underlying [A] [B], the natural or legal person that has control over the provision of the Underlying [A] [B] in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

["Index Conversion Event" means, with respect to the Underlying A, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the Underlying A is no longer calculated or published in the [relevant] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

["Investment Adviser" means, with respect to [the] [an] Underlying [A] [B], [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.] [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.]

"j" means an integer number representing each number from and including the number 1 to and including VOPL.

"Last Strategy Calculation Date" means the Final Observation Date.

"Length of the Volatility Observation Period" means the Length of the Volatility Observation Period as specified in § 1 of the Product and Underlying Data.

"Level of the Strategy" means the Level of the Strategy as calculated or specified pursuant to § 2 (3) of the Special Conditions

"Ln ()" means the natural logarithm of the base in brackets.

"LnPerf_{i-VOPO-VOPL+j}" means in relation to a VOP Calculation Date_{i-VOPO-VOPL+j} the log return calculated according to the following formula:

$$\text{Ln} (A (t_{i-VOPO-VOPL+j}) / A (t_{i-VOPO-VOPL+j-1})).$$

"Management Company" means, with respect to [the] [an] Underlying [A] [B], [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.] [a person, company or institution that manages the Fund according to the Fund Documents.]]

[In the case of a share or a depository receipt as Underlying A, the following applies:

"Market Disruption Event" means, with respect to the Underlying A, each of the following events:

- (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 A on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 A, the following applies:

"Market Disruption Event" means, with respect to the Underlying A, each of the following events:

- (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 A][components of the Underlying A] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying A are listed or traded;

- (b) in relation to [individual securities which form the basis of the Underlying A][components of the Underlying A], 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 A, 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 A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] 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 a commodity as Underlying A, the following applies:

"**Market Disruption Event**" means, with respect to the Underlying A, each of the following events:

- (a) the suspension or the restriction of trading or the price determination of the Underlying A on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 an ETF, the following applies:

"**Market Disruption Event**" means, with respect to [the] [an] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] Underlying [A] [B], 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 Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of an ETF as Underlying the following applies:

"**Market Disruption Event**" means, with respect to [the] [an] [Exchange Traded Fund] [as] [Underlying [A] [B]], each of the following events:

- (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 [A] [B] on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**Final Payment Date**" means the Final Payment Date as specified in § 1 of the Product and Underlying Data.

"**Maximum Additional Amount (k)**" means the Maximum Additional Amount (k) attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.]

"**Maximum Permissible Value Range for Fee_{TVL}**" means the Maximum Permissible Value Range for Fee_{TVL} as specified in § 1 of the Product and Underlying Data.]

"**Maximum Permissible Value Range for Fee_{Strat}**" means the Maximum Permissible Value Range for Fee_{Strat} as specified in § 1 of the Product and Underlying Data.]

["Maximum Permissible Value Range for Fee_{ULA}"] means the Maximum Permissible Value Range for Fee_{ULA} as specified in § 1 of the Product and Underlying Data.]

["Maximum Permissible Value Range for Fee_{ULB}"] means the Maximum Permissible Value Range for Fee_{ULB} 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 Additional Amount (k)"] means the Minimum Additional Amount (k) attributed to the respective Observation Date (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.

"Minimum Weight" means the Minimum Weight as specified in § 1 of the Product and Underlying Data.

["NAV"] means the official 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 [each of] the Initial Observation Date[s] as specified in § 1 of the Product and Underlying Data. If [the] [a] Initial Observation Date is not a Calculation Date, the immediately following 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 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 last Observation Date (k). If such date is not a Calculation Date, the immediately following Calculation Date shall be the Final Observation Date. The Final Payment Date shall be postponed accordingly. No interest shall become due because of such postponement.

"Offset of the Volatility Observation Period" means the Offset of the Volatility Observation Period as specified in § 1 of the Product and Underlying Data.

"Participation Factor (k)" means[, with respect to an Observation Date (k),] the Participation Factor (k) as specified in § 1 of the Product and Underlying Data.

"Performance of the Strategy (k)" means in relation to an Observation Date (k) the result of the quotient of S (k), as the numerator, and S (initial), as the denominator.

["Portfolio Manager"] means, with respect to [the] [an] Underlying [A] [B], [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.] [a person, company or institution appointed according to the Fund Documents as a portfolio manager with respect to the investment activities of the Fund.]]

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

["**Rate_{i-1}**" means in relation to a Strategy Calculation Date_i the Strategy Reference Rate determined on the Strategy Reference Rate Reset Date that is associated with the Strategy Calculation Date_{i-1}.]

"**Redemption Amount**" means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

["**Reference Market**" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"**Reference Price**" means, with respect to [the] [an] Underlying [A] [B], the Reference Price as specified in § 1 of the Product and Underlying Data.

[In the case of a share or an ETF as Underlying, the following applies:

"**Relevant Exchange**" means, with respect to [the] [an] Underlying [A] [B], 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 [A] [B] 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 [A] [B] (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

[In the case of an Index as Underlying A, the following applies:

"**Relevant Exchange**" means , with respect to the Underlying A, the exchange on which the components of the Underlying A are most liquidly traded; such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 A 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 A (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**Return of Underlying A_i**" means in relation to a Strategy Calculation Date_i the result of the following formula:

[Return of Underlying A_i = (A (t_i) – A (t_{i-1})) / A (t_{i-1})]

[Return of Underlying A_i = A (t_i) / A (t_{i-1}) - 1]

"**Return of Underlying B_i**" means [Rate_{i-1}] [the return of Underlying B as calculated by the Calculation Agent with respect to the Strategy Calculation Date_i in accordance with the following formula:

[Return of Underlying B_i = (B (t_i) - B (t_{i-1})) / B (t_{i-1})]

[Return of Underlying B_i = B (t_i) / B (t_{i-1}) - 1]]

["**S (initial)**" means the Start Level of the Strategy.]

["**S (initial)**" means the equally weighted average (arithmetic average) of the Levels of the

Strategy on the Initial Observation Dates.]

"S (k)" means the Level of the Strategy on the Observation Date (k).

["**Screen Page for the Strategy Reference Rate**" means the Screen Page for the Strategy Reference Rate and, if applicable, the corresponding heading as indicated in § 1 of the Product and Underlying Data.]

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

["**Settlement Cycle**" means, with respect to the Underlying A, the period of Clearance System Business Days following a transaction on the [respective] Relevant Exchange in the [securities that form the basis of the] Underlying A during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

["**Settlement Cycle**" means, with respect to [the] [an] Underlying [A] [B], 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.]

"S_i" means the Level of the Strategy in relation to a Strategy Calculation Date_i.

"S_{i-1}" means in relation to a Strategy Calculation Date_i the Level of the Strategy for Strategy Calculation Date_{i-1}.

["**Share Conversion Event**" means, with respect to the Underlying A, each of the following events:

- (a) the quotation of the Underlying A at the Relevant Exchange is finally ceased no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) the quotation of the Underlying A at the Relevant Exchange no longer occurs in the [relevant] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**Specified Currency**" means the Specified Currency as specified in § 1 of the Product and Underlying Data.

"**Start Level of the Strategy**" means the Start Level of the Strategy as specified in § 1 of the Product and Underlying Data.

"**Strategy Calculation Date**" means each Calculation Date between the First Strategy Calculation Date and the Last Strategy Calculation Date (both included).

"**Strategy Calculation Date_i**" means the Strategy Calculation Date that corresponds to the i-th Calculation Date after the First Strategy Calculation Date.

"**Strategy Calculation Date_{i-1}**" means the Strategy Calculation Date immediately preceding the Strategy Calculation Date_i.

["**Strategy Reference Rate**" means in relation to a Strategy Calculation Date the offered rate (expressed as a percentage per annum) for deposits in the Calculation Currency with a term corresponding to the Designated Maturity for the Strategy Reference Rate displayed on the Screen Page for the Strategy Reference Rate [around 11 a.m. Brussels time] [*insert time*] on the relevant Strategy Reference Rate Reset Date. If either the Screen Page for the Strategy

Reference Rate is not available or no such offered rate is displayed at the time specified, then the Calculation Agent shall either determine another [Reuters] [or] [Bloomberg] page [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] on which a comparable offered rate is displayed or determine such comparable offered rate by reference to such sources as it may select [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*, acting in accordance with relevant market practice and in good faith,] in respect of such date. Such determinations will be published by means of a notice given in accordance with § 6 of the General Conditions.]

["**Strategy Reference Rate-Administrator**" means, with respect to the Reference Rate, the natural or legal person that has control over the provision of the Reference Rate in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 1 of the Product and Underlying Data is specified whether the Reference Rate-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["**Strategy Reference Rate Reset Date**" means in relation to a Strategy Calculation Date [the [second] [*insert number*] Calculation Date immediately preceding] the Strategy Calculation Date. If such date is not a Calculation Date for the Strategy Reference Rate, the Strategy Reference Rate Reset Date shall be the immediately preceding Calculation Date for the Strategy Reference Rate that is a Calculation Date.]

"**Strike Level**" means the Strike Level 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 A**" means the Underlying A as specified in § 1 of the Product and Underlying Data.

"**Underlying B**" means the [Underlying B as specified in § 1 of the Product and Underlying Data] [Strategy Reference Rate].

["**Underlying**" means both, the Underlying A and the Underlying B.]

"**Underlying Currency**" means [, with respect to an Underlying,] the Underlying Currency as specified in § 2 of the Product and Underlying Data.

"**Volatility Observation Period_i**" means in relation to a Strategy Calculation Date_i a period of the Length of the Volatility Observation Period and the last Calculation Date of this period is the Calculation Date that precedes the Strategy Calculation Date_i according to the Offset of the Volatility Observation Period.

For the avoidance of doubt: The Volatility Observation Period_i may encompass Calculation Dates that precede the First Strategy Calculation Date and the Initial Observation Date, respectively.

"**Volatility of the Underlying_i**" means, with respect to Underlying A, the Volatility of the Underlying_i as calculated or specified pursuant to § 2 (5) of the Special Conditions.

"**Vol_i**" means the Volatility of the Underlying_i in relation to the Strategy Calculation Date_i.

"**VOP Calculation Date_{i-VOPO-VOPL+j}**" means in relation to a Strategy Calculation Date_i the Calculation Date that corresponds to the j-th Calculation Date of the Volatility Observation Period_i.

"VOPL" means the numerical value of Calculation Dates that corresponds to the Length of the Volatility Observation Period.

"VOPO" means the numerical value of Calculation Dates that corresponds to the Offset of the Volatility 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.]

§ 2

Interest, Additional Amount, Level of the Strategy, Dynamic Weight, Volatility of the Underlying

(1) The Securities do not bear interest.

(2) *Additional Amount (k)*:

[If the Performance of the Strategy (k) is greater than the Strike Level, the Additional Amount (k) shall 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:

$$\text{Additional Amount}(k) = \text{Nominal Amount} \times \text{Participation Factor (k)} \times \frac{\text{Performance of the Strategy}(k) - \text{Strike Level}}{D(k)}$$

If the Performance of the Strategy (k) is less than or equal to the Strike Level, no Additional Amount (k) is paid.]

[The Additional Amount (k) shall 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:

$$\text{Additional Amount}(k) = \text{Nominal Amount} \times \text{Participation Factor (k)} \times \frac{\text{Performance of the Strategy}(k) - \text{Strike Level}}{D(k)}$$

However, the Additional Amount (k) is not less than the relevant Minimum Additional Amount (k).]

[However, the Additional Amount (k) is not greater than the Maximum Additional Amount (k).]

(3) *Level of the Strategy (S_i)*: The Calculation Agent shall determine or specify the Level of the Strategy as follows:

- In respect of the First Strategy Calculation Date, the Level of the Strategy corresponds to the Start Level of the Strategy.

- In respect of a Strategy Calculation Date_i after the First Strategy Calculation Date, the Level of the Strategy is calculated according to the following formula:

$$S_i = S_{i-1} \times (1 + DW_{i-1} \times \text{Return of Underlying } A_i + (1 - DW_{i-1}) \times \text{Return of Underlying } B_i \text{ [x Days}_{i-1,i} / 360])]$$

$$S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times \text{Return of Underlying } A_i$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{ULB} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])]$$

$$S_i = S_{i-1} \times (1 - \text{Fee}_{TVL} \times \text{Days}_{i-1,i} / 360$$

$$+ DW_{i-1} \times \text{Return of Underlying } A_i$$

$$+ (1 - DW_{i-1}) \times \text{Return of Underlying } B_i \text{ [x Days}_{i-1,i} / 360]]$$

$$[S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times \text{Return of Underlying } A_i$$

$$+ (1 - DW_{i-1}) \times \text{Return of Underlying } B_i \text{ [x Days}_{i-1,i} / 360])$$

$$- \text{Fee}_{\text{Strat}} \times \text{Days}_{i-1,i} / 360]$$

$$[S_i = S_{i-1} \times (1$$

$$- \text{Fee}_{\text{TVL}} \times \text{Days}_{i-1,i} / 360$$

$$+ DW_{i-1} \times \text{Return of Underlying } A_i$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])]$$

$$[S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times \text{Return of Underlying } A_i$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])$$

$$- \text{Fee}_{\text{Strat}} \times \text{Days}_{i-1,i} / 360]$$

$$[S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times (\text{Return of Underlying } A_i - \text{Fee}_{\text{ULA}} \times \text{Days}_{i-1,i} / 360)$$

$$+ (1 - DW_{i-1}) \times \text{Return of Underlying } B_i \text{ [x Days}_{i-1,i} / 360])]$$

$$[S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times (\text{Return of Underlying } A_i - \text{Fee}_{\text{ULA}} \times \text{Days}_{i-1,i} / 360)$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])]$$

$$[S_i = S_{i-1} \times (1$$

$$- \text{Fee}_{\text{TVL}} \times \text{Days}_{i-1,i} / 360$$

$$+ DW_{i-1} \times (\text{Return of Underlying } A_i - \text{Fee}_{\text{ULA}} \times \text{Days}_{i-1,i} / 360)$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])]$$

$$[S_i = S_{i-1} \times (1$$

$$+ DW_{i-1} \times (\text{Return of Underlying } A_i - \text{Fee}_{\text{ULA}} \times \text{Days}_{i-1,i} / 360)$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])$$

$$- \text{Fee}_{\text{Strat}} \times \text{Days}_{i-1,i} / 360]$$

$$[S_i = S_{i-1} \times (1$$

$$- \text{Fee}_{\text{TVL}} \times \text{Days}_{i-1,i} / 360$$

$$+ DW_{i-1} \times (\text{Return of Underlying } A_i - \text{Fee}_{\text{ULA}} \times \text{Days}_{i-1,i} / 360)$$

$$+ (1 - DW_{i-1}) \times (\text{Return of Underlying } B_i - \text{Fee}_{\text{ULB}} \text{ [x Days}_{i-1,i} / 360]) \text{ [x Days}_{i-1,i} / 360])$$

$$- \text{Fee}_{\text{Strat}} \times \text{Days}_{i-1,i} / 360]$$

This means: The Level of the Strategy on each Calculation Date will be calculated by the Calculation Agent as the product of (a) the Level of the Strategy with respect to the Calculation Date immediately preceding Calculation Date and (b) the sum of (i) one, (ii) the dynamically weighted Return of Underlying A with respect to the Calculation Date and (iii) the dynamically weighted [daily fraction (Act/360) of the] Return of Underlying B. [The calculation takes into account [the Fee_{TVL}] [,] [and] [the Fee_{ULA}] [,] [and] [the Fee_{ULB}] [and] [the $\text{Fee}_{\text{Strat}}$] by way of deduction.]

- (4) *Dynamic Weight (DW_i)*: The Calculation Agent shall calculate the Dynamic Weight in respect of a Strategy Calculation Date_i according to the following formula:

$$DW_i = \frac{\text{Target Volatility}}{\text{Volatility of the Underlying}_i}$$

However, the Dynamic Weight is not less than the Minimum Weight and not greater than the Maximum Weight.

- (5) *Volatility of the Underlying_i (Vol_i)*: The Calculation Agent shall calculate the Volatility of the Underlying_i in respect of a Strategy Calculation Date_i according to the following formula:

$$Vol_i = \sqrt{\frac{\sum_{j=1}^{VOPL} (\text{LnPerf}_{i-VOPO-VOPL+j})^2 - \frac{1}{VOPL} \times (\sum_{j=1}^{VOPL} \text{LnPerf}_{i-VOPO-VOPL+j})^2}{VOPL - 1}} \times \sqrt{252}$$

§ 3

Redemption

Redemption: The Securities shall be redeemed by payment of the Redemption Amount on the Final Payment Date pursuant to the provisions of § 6 of the Special Conditions.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to the Minimum Amount.

Product Type 31: Securities linked to Target Vol Strategies

[Product Type 31: In the case of Securities linked to Target Vol Strategies, the following applies:]

§ 1

Definitions

"**A (t)**" means the Reference Price of the Underlying A on the Calculation Date (t).

"**A (t-1)**" means the Reference Price of the Underlying A on the Calculation Date immediately preceding the respective Calculation Date (t).

["**Additional Unconditional Amount (I)**" means the Additional Unconditional Amount (I) as specified in § 1 of the Product and Underlying Data.]

["**Additional Unconditional Amount Payment Date (I)**" means the Additional Unconditional Amount Payment Date (I) as specified in § 1 of the Product and Underlying Data.]

[In the case of a share or a depository receipt as Underlying A, the following applies:]

"**Adjustment Event**" means, with respect to the Underlying A, each of the following events:

- (a) each measure taken by the company that has issued the Underlying A 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 A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying A;
- (c) an adjustment performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying A, 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 A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of an index as Underlying A, the following applies:]

"**Adjustment Event**" means, with respect to the Underlying A, each of the following events:

- (a) changes in the relevant Index Concept or the calculation of the Underlying A, that result in a new relevant Index Concept or calculation of the Underlying A being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) the calculation or publication of the Underlying A 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 A 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 A 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 A; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of a commodity as Underlying A, the following applies:

"**Adjustment Event**" means, with respect to the Underlying A[, each of the following events]:

- [(a)] any changes in the Relevant Trading Conditions of the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].];
- (b) a Hedging Disruption occurs].]

[In the case of a fund as Underlying other than ETF, the following applies:

"**Adjustment Event**" means, with respect to [the] [an] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] Underlying [A] [B], 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_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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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_i; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (d) the Fund_i or the Management Company_i or Fund Services Provider_i appointed for this purpose by the Fund or the Management Company fails to publish the NAV_i as scheduled or in accordance with normal practice or as specified in Fund Documents [for more than [*Insert number of Banking Days*] consecutive Banking Day(s)];
- (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 the case of Securities governed by German law, insert:* in its reasonable

discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 an Underlying for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (t) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (v) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (z) NAV is no longer published in the relevant 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];[.]
- [(•)] [the historic Volatility of the Underlying [A] [B] exceeds a volatility level of [Insert]%.] [the historic Volatility of the Underlying [A] [B] exceeds the historic Volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Underlying [A] [B]**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the NAV over the immediately preceding [*Insert number of days*] Calculation Dates [that are also Fund-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 of the Underlying [A] [B] 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 Fund-Benchmark Calculation Date] using the daily returns of the NAV for the most recent [*Insert number of days*] Calculation Dates [that are also Fund-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 Fund-Benchmark Calculation Dates]. The volatility determined using this method may not exceed a volatility level of [*Insert*]%.]

[The "**Volatility of the Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [*Insert number of days*] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [*Insert number of days*];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price of the Fund-Benchmark on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price of the Fund-Benchmark between two consecutive Fund-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, with respect to [the] [an] [Exchange Traded Fund] Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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; whether the conditions are fulfilled shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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[for more than [*Insert number of Banking Days*] consecutive Banking Days];
- (e) a change in the legal form of the Fund;
- (f) the quotation of the Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (h) an early termination performed by the Determining Futures Exchange of the there traded Derivatives of the Underlying [A] [B];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];

- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (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 an Underlying for the Securities [due to reasons for which the Issuer is not solely responsible];
- (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (v) a change or the cancellation or the announced cancellation of the notification of the bases of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") and such change or cancellation would have a negative consequence for the Issuer; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (x) the Fund or the Management Company or a company affiliated to it breaches the rebate or any other agreement entered into with the Issuer in relation to the Fund in a significant respect (e.g. lowering of rebate levels or non-payment of agreed rebates) or terminates that agreement; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (bb) the NAV is no longer published in the [relevant] 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];[.]

[(•)] [the historic Volatility of the Underlying [A] [B] exceeds a volatility level of [Insert]%.] [the historic Volatility of the Underlying [A] [B] exceeds the historic Volatility of the Fund-Benchmark on a day that is a Calculation Date and a Fund-Benchmark Calculation Date by more than [Insert]%.]

The "**Volatility of the Underlying [A] [B]**" is calculated on a Calculation Date [that is also a Fund-Benchmark Calculation Date] on the basis of the daily logarithmic returns of the Underlying [A] [B] over the immediately preceding [Insert number of days] Calculation Dates [that are also Fund-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 [A] [B] 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 Fund-Benchmark Calculation Date] using the daily returns of the Underlying [A] [B] for the most recent [Insert number of days] Calculation Dates [that are also Fund-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 Fund-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 Fund-Benchmark**" is calculated on any day that is a Fund-Benchmark Calculation Date and a Calculation Date on the basis of the daily logarithmic returns of the Fund-Benchmark over the immediately preceding [Insert number of days] Fund-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 Fund-Benchmark Calculation Date which is also a Calculation Date;

"P" is [Insert number of days];

"BRP (t-k)" (with k = p, q) is the Fund-Benchmark Reference Price on the k-th day that is a Calculation Date and a Fund-Benchmark Calculation Date preceding the relevant Fund-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 Fund-Benchmark Calculation Date and a Calculation Date using the daily returns of the Fund-Benchmark for the most recent [*Insert number of days*] Fund-Benchmark Calculation Dates and standardised to produce an annual volatility level. The return is defined as the logarithm of the change in the Fund-Benchmark Reference Price between two consecutive Fund-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, with respect to [the] [an] Underlying [A] [B], [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.] [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, with respect to [the] [an] Underlying [A] [B], [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_i 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.]]

["**B (t)**" means the Reference Price of the Underlying B on the Calculation Date (t).

"**B (t-1)**" means the Reference Price of the Underlying B on the Calculation Date immediately preceding the respective Calculation Date (t).]

"**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.]

"**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 lower than the Barrier.

["**Barrier Level**" means the Barrier Level 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**" or "**Calculation Date_t**" means each day on which the Reference Price for the Underlying A [and the Underlying B] is normally published by the [Relevant Exchange] [Index Sponsor or Index Calculation Agent] [Reference Market] [,] [[respective] Fund or Management Company].

"**Calculation Date_{t,1}**" means with respect to a Calculation Date_t, the Calculation Date immediately preceding the respective Calculation Date.

["**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 [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Issuer] [*in the case of Securities governed by Italian law, insert:* as determined by the Issuer acting in accordance with relevant market practice and in good faith]

- [(a)] the holding, acquisition or sale of an 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 Monte Titoli as Clearing System, the following applies:

"**Clearing System**" means Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**").]

[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)*].]

["**Clearance System**" means, with respect to the Underlying A, the principal domestic clearance system customarily used for settling trades with respect to the [securities that form the basis of the] Underlying A; such system shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

["**Clearance System**" means, with respect to [the] [an] Underlying [A] [B], 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

["**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, with respect to Underlying A, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance

with relevant market practice and in good faith];

- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s];
- (c) the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]].]

"**Conversion Event**" means, with respect to the Underlying A, a [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event] [Fund Conversion Event] [and, with respect to Underlying B, a Fund Conversion Event].

"**Custodian Bank**" means, with respect to [the] [an] Underlying [A] [B], [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.] [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.]

"**Determining Futures Exchange**" means, with respect to [the] [an] Underlying [A] [B], the futures exchange, on which derivatives of the Underlying [A] [B] [or – if derivatives on the Underlying [A] [B] are not traded – of its components] (the "**Derivatives**") are most liquidly traded; such futures exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 [A] [B] [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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**Dynamic Weight_t (DW_t)**" means the Dynamic Weight with respect to the 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 an 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_{Strat}**" means the rate of the fee based on the Strategy as specified in § 1 of the Product and Underlying Data.] [The Calculation Agent has the right to increase or decrease the Fee_{Strat} [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] within the Maximum Permissible Value Range for Fee_{Strat} on any Calculation Date. Upon an increase or decrease of Fee_{Strat}, the modified Fee_{Strat} shall be deemed to be applicable for the first time in relation to the immediately following Calculation Date.]

["**Fee_{TVL}**" means the rate of the fee based on the Level of the Target Vol Strategy as specified in § 1 of the Product and Underlying Data.] [The Calculation Agent has the right to increase or decrease the Fee_{TVL} [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] within the Maximum Permissible Value Range for Fee_{TVL} on any Calculation Date. Upon an increase or decrease of Fee_{TVL}, the modified Fee_{TVL} shall be deemed to be applicable for the first time in relation to the immediately following Calculation Date.]

["**Fee_{ULA}**" means the Fee_{ULA} as specified in § 1 of the Product and Underlying Data. [The Calculation Agent has the right to increase or decrease the Fee_{ULA} [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] within the Maximum Permissible Value Range for Fee_{ULA} on any Calculation Date. Upon an increase or decrease of Fee_{ULA}, the modified Fee_{ULA} shall be deemed to be applicable for the first time in relation to the immediately following Calculation Date.]

["**Fee_{ULB}**" means the rate of the fee based on the Underlying B as specified in § 1 of the Product and Underlying Data.] [The Calculation Agent has the right to increase or decrease the Fee_{ULB} [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] within the Maximum Permissible Value Range for Fee_{ULB} on any Calculation Date. Upon an increase or decrease of Fee_{ULB}, the modified Fee_{ULB} shall be deemed to be applicable for the first time in relation to the immediately following Calculation Date.]

"**Final Payment Date**" means the Final Payment Date 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**" 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-Benchmark**" means, with respect to [the] [an] Underlying [A] [B], the index as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Calculation Date**" means, with respect to [the] [a] Fund-Benchmark, each day on which the Fund-Benchmark Reference Price is calculated and published by the Fund-Benchmark Sponsor.

"**Fund-Benchmark Reference Price**" means, with respect to [the] [a] Fund-Benchmark, the closing price of the Fund-Benchmark.

"**Fund-Benchmark Sponsor**" means, with respect to [the] [a] Fund-Benchmark, the Fund-Benchmark Sponsor as specified in § 1 of the Product and Underlying Data.

"**Fund-Benchmark Replacement Event**" means, with respect to [the] [a] Fund-Benchmark,

- (a) any change in the relevant index concept or the calculation of the Fund-Benchmark, that [*in the case of Securities governed by German law, insert:* in the reasonable discretion (§ 315 et seq. BGB) of the Calculation Agent] [*in the case of Securities governed by Italian law, insert:* as determined by the Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Fund-Benchmark being no longer economically equivalent to the original relevant index concept or the original calculation of the Fund-Benchmark;
- (b) the calculation or publication of the Fund-Benchmark is finally discontinued, or replaced by another index (the "**Fund-Benchmark Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Fund-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 Fund-Benchmark.

In cases of a Fund-Benchmark Replacement Event the Calculation Agent is entitled to determine [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith], which index should be used in the future as a Fund-Benchmark (the "**Replacement Fund-Benchmark**"). The Replacement Fund-Benchmark will be published in accordance with § 6 of the General Conditions. Any reference to the replaced Fund-Benchmark in these Terms and Conditions shall be deemed to refer to the Replacement Fund-Benchmark.

If the Fund-Benchmark is no longer determined by the Fund-Benchmark Sponsor but rather by another person, company or institution (the "**New Fund-Benchmark Sponsor**"), then any calculation described in these Terms and Conditions shall occur on the basis of the Fund-Benchmark as determined by the New Fund-Benchmark Sponsor. In this case, any reference to the replaced Fund-Benchmark Sponsor in these Terms and Conditions shall be deemed to refer to the New Benchmark Sponsor.]

["**Fund Conversion Event**" means, with respect to [the] [an] Underlying [A] [B], each of the following events:

- [(a) no Replacement Underlying is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];]
- [(•) no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];]
- [(•) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging] occur[s] [;
- [(•) 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];].]

["**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 are specified.]

"Fund Management" means, with respect to [the] [an] Underlying [A] [B], the persons responsible for the portfolio and/or the risk management of the Fund.

"Fund Services Provider" means, with respect to [the] [an] Underlying [A] [B] and if available, the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor.

"Fund Share" means, with respect to [the] [an] Underlying [A] [B], 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 [, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. Cost increases due to a deterioration of the creditworthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not to be considered as Increased Costs of Hedging.]

"Index-Administrator" means, with respect to [the] [an] Underlying [A] [B], the natural or legal person that has control over the provision of the Underlying [A] [B] in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

"Index Calculation Agent" means the Index Calculation Agent as specified in § 2 of the Product and Underlying Data.]

"Index Conversion Event" means, with respect to the Underlying A, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities*

- governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
- (b) a Change in Law [and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
 - (c) the Underlying A is no longer calculated or published in the [relevant] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith];
 - (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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"Index Sponsor" means the Index Sponsor as specified in § 2 of the Product and Underlying Data.]

"Initial Strategy Calculation Date" means the Initial Strategy Calculation Date as specified in § 1 of the Product and Underlying Data.

"Investment Adviser" means, with respect to [the] [an] Underlying [A] [B], [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.] [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.

"Ln ()" means the natural logarithm of the base in brackets.

"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.

"Management Company" means, with respect to [the] [an] Underlying [A] [B], [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.][a person, company or institution that manages the Fund according to the Fund Documents].]

[In the case of a share or a depository receipt as Underlying A, the following applies:

"**Market Disruption Event**" means, with respect to the Underlying A, each of the following events:

- (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 A on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 A, the following applies:

"**Market Disruption Event**" means, with respect to the Underlying A, each of the following events:

- (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 A][components of the Underlying A] are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the Underlying A are listed or traded;
- (b) in relation to [individual securities which form the basis of the Underlying A][components of the Underlying A], 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 A, 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 A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] [to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].] 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 a commodity as Underlying A, the following applies:]

"**Market Disruption Event**" means, with respect to the Underlying A, each of the following events:

- (a) the suspension or the restriction of trading or the price determination of the Underlying A on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative of the Underlying A 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 an ETF as Underlying the following applies:]

"**Market Disruption Event**" means, with respect to [the] [an] [Exchange Traded Fund] [as] Underlying [A] [B], each of the following events:

- (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 [A] [B] on the Relevant Exchange;
- (c) in general the suspension or restriction of trading in a Derivative of the Underlying [A] [B] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 a fund as Underlying other than an ETF, the following applies:]

"**Market Disruption Event**" means, with respect to [the] [an] [a] [Fund Share or [the] [a] Fund] [other than an Exchange Traded Fund] [as] [Underlying [A] [B]], 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_i or other circumstances which make it impossible to determine the NAV, or
- (c) it is not possible to trade Fund Shares_i at the NAV. This also covers cases in which the Fund_i 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_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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

"Maximum Amount" means the Maximum Amount as specified in § 1 of the Product and Underlying Data.]

"Maximum Permissible Value Range for Fee_{ULB}" means the Maximum Permissible Value Range for Fee_{ULB} as specified in § 1 of the Product and Underlying Data.]

"Maximum Permissible Value Range for Fee_{Strat}" means the Maximum Permissible Value Range for Fee_{Strat} as specified in § 1 of the Product and Underlying Data.]

"Maximum Permissible Value Range for Fee_{TVL}" means the Maximum Permissible Value Range for Fee_{TVL} as specified in § 1 of the Product and Underlying Data.]

"Maximum Permissible Value Range for Fee_{ULA}" means the Maximum Permissible Value Range for Fee_{ULA} 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.

"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] [each of the Initial Observation Dates] specified in § 1 of the Product and Underlying Data. If [the] [a] Initial Observation Date is not a Calculation Date [for the Underlying [A] [B]], the immediately following Banking Day which is a Calculation Date shall be the [respective] Initial Observation Date [for the Underlying [A] [B]].]

"Final Observation Date" means [each of] the Final Observation Date[s] 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. [If the [last] Final Observation

Date is not a Calculation Date, then the Final Payment Date shall be postponed accordingly. No interest shall be due because of such postponement.]]

"Participation Factor" means the Participation Factor as specified in § 1 of the Product and Underlying Data.

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

"Portfolio Manager" means, with respect to [the] [an] Underlying [A] [B], [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.]]

"R (final)" means the Level of the Target Vol Strategy on the Final Observation Date.]

"R (final)" means the equally weighted average (arithmetic average) of the Levels of the Target Vol Strategy on the Final Observation Dates.]

"R (initial)" means the Level of the Target Vol Strategy on the Initial Observation Date.]

"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 the respective 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" means the Reference Market as specified in § 2 of the Product and Underlying Data.]

"Reference Price" means, with respect to [the] [an] Underlying [A] [B], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*], 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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-Administrator" means, with respect to the Reference Rate, the natural or legal person that has control over the provision of the Reference Rate in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 1 of the Product and Underlying Data is specified whether the Reference Rate-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

[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, [with respect to [the] [an] Underlying [A] [B] and] 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).]

"**Reference Rate Reset Date**" means the [[insert number of days] Calculation Date immediately preceding the] respective Calculation Date.

[In the case of a Share or an ETF as Underlying, the following applies:

"**Relevant Exchange**" means [, with respect to [the] [an] Underlying [A] [B],] 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 [A] [B] 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 [A] [B] (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

[In the case of an Index as Underlying A, the following applies:

"**Relevant Exchange**" means [, with respect to [the] [an] Underlying A,] the exchange on which the components of the Underlying A are most liquidly traded; such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].

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 A 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 A (the "**Substitute Exchange**"); such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"**Return of Underlying A_t**" means the return of Underlying A as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

$$[\text{Return of Underlying } A_t = (A(t) - A(t-1)) / A(t-1)]$$

$$[\text{Return of Underlying } A_t = A(t) / A(t-1) - 1]$$

"**Return of Underlying A_{t-VOP-Offset+j}**" means the Return of Underlying A 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 A_{t-VOP-Offset+k}**" means the Return of Underlying A as calculated by the Calculation Agent for the Calculation Date falling VOP-Offset+k Calculation Dates prior to the respective Calculation Date_t.

"**Return of Underlying B_t**" means [Rate_{t-1}] [the return of Underlying B as calculated by the Calculation Agent with respect to the Calculation Date_t in accordance with the following formula:

[Return of Underlying B_t = (B (t) - B (t-1)) / B (t-1)]

[Return of Underlying B_t = B (t) / B (t-1) - 1]]

"**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.

["**Settlement Cycle**" means, with respect to the Underlying A, the period of Clearance System Business Days following a transaction on the [respective] Relevant Exchange in the [securities that form the basis of the] Underlying A during which period settlement will customarily take place according to the rules of such Relevant Exchange.]

["**Settlement Cycle**" means, with respect to [the] [an] Underlying [A] [B], 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, with respect to the Underlying A, each of the following events:

- (a) the quotation of the Underlying A at the Relevant Exchange is finally ceased no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) the quotation of the Underlying A at the Relevant Exchange no longer occurs in the [relevant] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].]

"**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 A**" means the Underlying A as specified in § 1 of the Product and Underlying Data.

"**Underlying B**" means the [Underlying B as specified in § 1 of the Product and Underlying Data] [Reference Rate].

"**Underlying**" means both, the Underlying A and the Underlying B.

"**Underlying Currency**" means, with respect to an Underlying, 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, with respect to [the] [an] Underlying [A] [B], each cash distribution specified by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] that is declared and paid by the Fund or the Management Company in respect of the Underlying [A] [B].

"**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, in relation to an Underlying Distribution, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] 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, with respect to [the] [an] Underlying [A] [B], each Calculation Date between the First Day of the Distribution Observation Period (exclusive) and the Last Day of the Distribution Observation Period.]

"**Underlying Volatility**" means, with respect to Underlying A, the Underlying Volatility as calculated or specified pursuant to § 2 (5) of the Special Conditions.

"**Volatility Observation Period**" or ("**VOP**") means the Volatility Observation Period [(expressed as a number of Calculation Dates)] as specified in § 1 of the Product and Underlying Data.

"**Volatility Observation Period Offset**" or ("**Offset**") means the Volatility Observation Period Offset [(expressed as a number of Calculation Dates)] 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[, Additional Unconditional Amount]

[(1)] *Interest:* The Securities do not bear interest.

[In the case of Securities with an Additional Unconditional Amount, the following applies:

(2) *Additional Unconditional Amount:* The respective Additional Unconditional Amount (1) will be paid on the Additional Unconditional 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 Final Payment 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 by the Calculation Agent as follows:

If no Barrier Event has occurred, then the Redemption Amount will be calculated pursuant to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times (\text{Floor Level} + \text{Participation Factor} \times \max(\text{R (final)} / \text{R (initial)} - \text{Strike}; 0)).$$

If a Barrier Event has occurred, then the Redemption Amount will be calculated pursuant to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times (\text{R (final)} / \text{R (initial)}).$$

However, the Redemption Amount is in no event less than the Minimum Amount [and not greater than the Maximum Amount].

- (2) *Level of the Target Vol Strategy:* On the Initial Strategy Calculation Date, the Level of the Target Vol Strategy (= $\text{TVL}_{\text{Initial}}$) 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:

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 + \text{DW}_{t-1} \times \text{Return of Underlying A}_t + (1 - \text{DW}_{t-1}) \times \text{Return of Underlying B}_t \text{ [x Days}_{t-1,t} / 360])]$$

$$[\text{TVL}_t = \text{TVL}_{t-1} \times (1 [- \text{Fee}_{\text{TVL}} \times \text{Days}_{t-1,t} / 360]) + \text{DW}_{t-1} \times (\text{Return of Underlying A}_t [- \text{Fee}_{\text{ULA}} \times \text{Days}_{t-1,t} / 360]) + (1 - \text{DW}_{t-1}) \times (\text{Return of Underlying B}_t [- \text{Fee}_{\text{ULB}} \text{ [x Days}_{t-1,t} / 360]) \text{ [x Days}_{t-1,t} / 360]) [- \text{Fee}_{\text{Strat}} \times \text{Days}_{t-1,t} / 360]]]$$

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 Underlying A with respect to the Calculation Date_t and (iii) the dynamically weighted [daily fraction (Act/360) of the] relevant Return of Underlying B_t. [The calculation takes into account [the Fee_{ULA}] [,][and] [the Fee_{TVL}] [,][and] [the Fee_{ULB}] [and] [the $\text{Fee}_{\text{Strat}}$] 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:

$$\text{DW}_t = \frac{\text{Target Volatility}}{\text{Underlying Volatility}_t}$$

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:

$$\text{Underlying Volatility}_t = \sqrt{\frac{1}{\text{VOP} - 1} \times \sum_{j=1}^{\text{VOP}} (\text{LnUnderlyingPerformance}_{t-\text{VOP}-\text{Offset}+j} - \text{LnAverageUnderlyingPerformance}_{t-\text{Offset}})^2} \times \sqrt{252}$$

Where:

$\text{LnUnderlyingPerformance}_{t-\text{VOP}-\text{Offset}+j}$ means :

$$\text{Ln}(1 + \text{Return of Underlying } A_{t-\text{VOP}-\text{Offset}+j})$$

$\text{LnAverageUnderlyingPerformance}_{t-\text{Offset}}$ means :

$$\frac{1}{\text{VOP}} \times \sum_{k=1}^{\text{VOP}} \text{Ln}(1 + \text{Return of Underlying } A_{t-\text{VOP}-\text{Offset}+k})$$

Product Type 32: Worst-of Cash Collect Garant Securities

[In the case of Worst-of Cash Collect Garant Securities, the following applies:

§ 1

Definitions

"**Additional Conditional Amount (k)**" means the [respective] Additional Conditional Amount (k) as specified in § 1 of the Product and Underlying Data.

"**Additional Conditional Amount Payment Date (k)**" means the Additional Conditional Amount Payment Date (k) as specified in § 1 of the Product and Underlying Data.

"**Additional Conditional Amount Payment Event**" means that the Worst Performance (k) is equal to or greater than the Additional Conditional Amount Payment Level (k) on the respective Observation Date (k).

"**Additional Conditional Amount Payment Level (k)**" means the respective Additional Conditional Amount Payment Level (k) as specified in § 1 of the Product and Underlying Data. [[This is an indicative value.] The final specification will be made by the Issuer on the [last] Initial Observation Date and will be published by notification pursuant to § 6 of the General Conditions within [five] [•] Banking Days.]

"**Adjustment Event**" means [each of the following events]:

[In the case of a basket consisting of shares 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, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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;
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 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; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];

- (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 basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities (a "**Index Usage Event**"); an Index Usage Event is also the termination of the license to use the respective Basket Component_i due to an unacceptable increase in license fees;
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- [(a)] 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 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;
- (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.]

"**Basket Component_i**," means the respective [share][index][commodity] 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_i is published by the [respective Relevant Exchange,][respective Index Sponsor_i or the respective Index Calculation Agent_i][respective Reference Market_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),

[*in the case of Securities governed by German law, insert: in the reasonable discretion (§ 315 et seq. BGB) of the Issuer*] [*in the case of Securities governed by Italian law, insert: as determined by the Issuer, acting in accordance with relevant market practice and in good faith.*] [(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)],

if such changes become effective on or after the First Trade Date.]

"Clearance System" means the principal domestic clearance system customarily used for settling trades with respect to the [respective Basket Component_i] [the securities that form the basis of the respective Basket Component_i] as determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

"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 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (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].]

"Conversion Event" means [Share Conversion Event] [Index Conversion Event] [Commodity 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.

"Determining Futures Exchange_i" means the [options and/or] 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 mostly liquidly traded, such [options and/or] futures exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*] by way of notice pursuant to § 6 of the General Conditions.

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, it shall be substituted as the Determining Futures Exchange_i by another [options and/or] futures exchange that offers satisfactorily liquid trading in the Derivatives (the "**Substitute Futures Exchange_i**"); such [options and/or] futures exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good*

faith]. In the event of such substitution, any reference to the Determining Futures Exchange_i in these Terms and Conditions of these Securities shall be deemed to refer to the Substitute Futures Exchange_i.

["**Exercise Date**" means the [last] Observation Date (k).]

"**Final Payment Date**" means the Final Payment Date, 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.

["**Hedging Disruption**" means that the Issuer_i, due to reasons for which the Issuer is not solely responsible,] 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; whether this is the case shall be determined by the Issuer [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]; 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.]

["**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, whether this is the case shall be determined by the Issuer [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not considered as Increased Costs of Hedging.]

["**Index-Administrator**" means, with respect to a Basket Component_i, the natural or legal person that has control over the provision of the Basket Component_i in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities*

governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];

- (b) a Change in Law *[[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]]* occur[s];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith];*
- (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].]

"Index Sponsor_i" means the Index Sponsor_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 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 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 mean) 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 Initial Observation Date and the Last Day of the [Best] [Worst]-in Period (including)].]

"K_i (k)" means the Reference Price_i on the respective Observation Date (k).

"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 basket consisting of shares 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 of time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent *[in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by*

Italian law, insert: acting in accordance with relevant market practice and in good faith]. 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 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 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 are traded or on the respective futures exchange or the markets on which derivatives of such securities 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 of time of the normal calculation and is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 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_i 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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.]

"Minimum Amount" means [the Minimum Amount as specified in § 1 of the Product and Underlying Data] [Protection Level x Nominal Amount].

"N" means the amount of Basket Components 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_i].]

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If the Observation Date (k) is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Observation Date (k) for [all Basket Components] [the respective Basket Component_i]. The respective Additional Conditional Amount Payment Date (k) shall be postponed accordingly. No interest shall become due because of such postponement.

"Performance of the Basket Component_i (k)" means the Performance of the Basket Component_i on the respective Observation Date (k) according to the following formula:

$K_i(k) / K_i(\text{initial})$

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

["Protection Level" means the Protection Level 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_i" means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

"Reference Price_i" means the Reference Price 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] 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 Relevant Exchange shall be substituted as the Relevant Exchange by another exchange that offers satisfactorily liquid trading in the respective Basket Component_i [or, respectively its components] (the **"Substitute Exchange"**); such exchange shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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.]

"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 will customarily take place according to the rules of such Relevant Exchange_i.]

["**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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].]

"**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 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.

"**Worst Performance (k)**" means the Performance of the Basket Component_j (k) specified as follows:

Performance of the Basket Component_j (k) = $\min [K_i (k) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

§ 2

Interest, Additional Amount

- (1) *Interest*: The Securities do not bear interest.
- (2) *Additional Amount*: If an Additional Conditional Amount Payment Event has occurred on an Observation Date (k), the respective Additional Conditional Amount (k) will be paid on the respective Additional Conditional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions.

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

§ 3

Redemption

Redemption: The Securities shall be redeemed [upon automatic exercise on the Exercise Date] by payment of the Redemption Amount on the Final Payment 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 the Minimum Amount.]

Product Type 33: Reverse Icarus Garant Securities

§ 1

Definitions

"**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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

[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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] [;

(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.]]

"Barrier" means Barrier Level x R (initial).]

"Barrier Level" means the Barrier Level as specified in § 1 of the Product and Underlying Data.

"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).

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of*

Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB) [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["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**") [Monte Titoli S.p.A., Milan, Italy ("**Monte Titoli**") [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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

["Conversion Event" means [Share Conversion Event] [Index Conversion Event] [Commodity Conversion Event].]

"Coupon" means the Coupon as specified in § 1 of the Product and Underlying Data.

"Coupon Amount" means Nominal Amount x Coupon.

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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.

"Final Payment Date" means the Final Payment Date 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.

["Hedging Disruption" means that the Issuer[, due to reasons for which the Issuer is not solely responsible,] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*] Cost increases due to a deterioration of the credit-worthiness of the Issuer [or other reasons for which the Issuer is solely responsible] are not considered as Increased Costs of Hedging.]

["Index-Administrator" means the natural or legal person that has control over the provision of the Underlying in accordance with Article 3 (1) no. 5. of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 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**"). In § 2 of the Product and Underlying Data is specified whether the Index-Administrator is included in the register referred to in Article 36 of the Benchmark-Regulation.]

["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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith.*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*].]

"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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]][to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]]. 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.]

"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.

"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 Final Payment Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Final Payment 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].

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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*];
- (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*]].]

"**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 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

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 Final Payment 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:

If the Reference Price reaches or falls below the Barrier at least once during the Barrier Observation Period, the Redemption Amount is determined according to the following formula:

Redemption Amount = Nominal Amount x (1 + Participation Factor x (1 - Performance of the Underlying))

However, in this case the Redemption Amount is not less than the Minimum Amount.

If the Reference Price during the Barrier Observation Period has never at or been below the Barrier, the Redemption Amount is equal to the sum of the Nominal Amount and the Coupon Amount.]]

[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 Final Payment Date.

The "**Settlement Amount**" shall be the market value of the Securities, with accrued interest for the period until the Final Payment 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. The fair market value, as calculated by the Calculation Agent, is calculated based on the redemption profile of the Securities which has to be adjusted taking into consideration the following parameters as of the [[tenth] [*insert number of days*] Banking Day before] [the day when] the extraordinary call becomes effective: the price of the Underlying, the remaining time to maturity, the volatility, the dividends (if applicable), the current interest rate as well as the counterparty risk and any other relevant market parameter that can influence the value of the Securities. 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 [Unconditional] [Conditional] Amount [(k)][(l)] ceases to exist in relation to all Additional [Unconditional] [Conditional] 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.

[In the case of Securities governed by German law, the following shall apply:

- (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 governed by Italian law, the following shall apply:

- (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 legal interest rate ('*Saggio degli Interessi legali*'), pursuant to Section 1284 CC, without prejudice to any other mandatory provisions under Italian 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] [a Strategy Calculation Date] that is not an Observation Date, the Level of the [Target Vol] Strategy, the Dynamic Weight and the Return [of Basket] [of the Underlying [A]] [and] [of the Underlying B] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith] the respective [Reference Price_i][FX_i] required for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. Such [Reference Price_i] [FX_i] 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[,i] 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], taking into account the economic position of the Security Holders; such reasonable price shall be determined by the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith].]

[In the case of a share or a depositary 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*, acting in accordance with relevant market practice and in good faith.] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 or Basket Component, the following applies:

[With respect to the Underlying B, the following applies:]

§ 8

Adjustments, Replacement [Underlying] [Fund], 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 [B] specified by the Issuer) and/or all prices of the Underlying [B] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]*. 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 [B]. 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] [Fund]:* In cases of a Fund Replacement Event, the adjustment usually entails the Calculation Agent *[in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,]* determining which fund or fund share should be used in the future as the Underlying [B] (the "**Replacement [Underlying] [Fund]**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions (in particular to the Underlying [B], the ratio and/or all prices of the Underlying [B] specified by the Issuer) and/or all prices of the Underlying [B] 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] [Fund] 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] [Fund], any reference to the Underlying [B] in the Terms and Conditions shall be deemed to refer to the Replacement [Underlying] [Fund], 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] [NAV] of the Underlying [B], 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 Final Payment 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] [NAV] of the Underlying [B], then the relevant value will not be specified again.]
- (4) If the Underlying [B] is no longer [calculated] [managed] 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.
- [(5) The application of §§ 313, 314 BGB remains reserved.]]

[In the case of an index referencing funds as Underlying or Basket Component, the following applies:]

[With respect to the Basket Components, 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 [consisting of the Basket Components] with its provisions applicable from time to time, as developed and maintained by the [respective] Index Sponsor, as well as the respective method of calculation, determination and publication of the price of the [Underlying] [Basket Component] (the "**Index Concept**") applied by the [respective] Index Sponsor. 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 provisions below.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event [with respect to a Basket Component] the Terms and Conditions (in particular, the ratio, the [Underlying] [Basket Component] and/or all prices of the [Underlying] [Basket Component] specified by the Issuer) and/or all prices of the [Underlying] [Basket Component] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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] [Basket Component]:* In cases of an Index Replacement Event [with respect to a Basket Component], the adjustment usually entails the Calculation Agent [*in the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*, acting in accordance with relevant market practice and in good faith,] determining which index should be used in the future as the [Underlying] [Basket Component] (the "**Replacement [Underlying] [Basket Component]**"). If necessary, the Calculation Agent will make further adjustments to these Terms and Conditions (in particular to the [Underlying] [Basket Component], the ratio and/or all prices of the [Underlying] [Basket Component] specified by the Issuer) and/or all prices of the [Underlying] [Basket Component] 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] [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 [Underlying] [Basket Component], any reference to the [Underlying] [Basket Component] in these Terms and Conditions shall be deemed to refer to the Replacement [Underlying] [Basket Component], unless the context provides otherwise.
- (4) *New Index Sponsor and New Index Calculation Agent:* If [the Underlying] [a Basket Component] is no longer determined by the [respective] 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] [Basket Component] as determined by the New Index Sponsor. In this case, any reference to the [respective] Index Sponsor shall be deemed to refer to the New Index Sponsor, depending on the context. If [the Underlying] [a Basket Component] is no longer calculated by the [respective] 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] [Basket Component] as calculated by the New Index Calculation Agent. In this case, any reference to the [respective] 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] [a Basket Component] published by the [respective] Index Sponsor or the [respective] 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 [respective] Index Sponsor or the [respective] 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] [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:

- (5) *Replacement Specification:* If a price of [the Underlying] [a Basket Component] published by the [respective] Index Sponsor or the [respective] 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 [respective] Index Sponsor or the [respective] Index Calculation Agent, as the case may be, after the original publication but prior to the Final Payment 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] [Basket Component], then the relevant value will not be specified again.]

[(6) 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:

[With respect to the Basket Components, 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities*

governed by Italian law, insert:, acting in accordance with relevant market practice and in good faith] (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:

[With respect to the Basket Components, 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, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert:, acting in accordance with relevant market practice and in good faith,] 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:

[With respect to the Basket Components, 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)] [in the case of Securities governed by Italian law, insert:

acting in accordance with relevant market practice and in good faith]. 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:*, acting in accordance with relevant market practice and in good faith,] 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] [Fund], Replacement Management Company, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event [with respect to a Fund or a Fund Share] the Calculation Agent the Terms and Conditions (in particular the respective [Basket Component_[i]] [Fund Share], the ratio and/or all prices of the [Basket Component_[i]] [Fund Share] specified by the Issuer) and/or all prices of the Basket Component_[i] [Fund Share] 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 the case of Securities governed by German law, insert:* in its reasonable discretion (§ 315 et seq. BGB)] [*in the case of Securities governed by Italian law, insert:* acting in accordance with relevant market practice and in good faith]. For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available [price] [NAV]

of the respective [Basket Component_[i]] [Fund Share]. 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][Fund]:* In cases of a Fund Replacement Event [with respect to a Basket Component_[i] or the Underlying B], the adjustment usually entails the Calculation Agent [*in the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith,*] determining which fund or fund share should be used in the future as the respective Basket Component_[i] [or Underlying B, as the case may be,] (the "**Replacement [Basket Component] [Fund]**"). If necessary, the Calculation Agent will make further adjustments to these Terms and Conditions (in particular to the Basket Component_[i] [or Underlying B, as the case may be], the ratio and/or all prices of the respective Basket Component_[i] [or Underlying B] specified by the Issuer) and/or all prices of the Basket Component_[i] [or Underlying B] 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] [Fund] 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] [Fund], any reference to the Basket Component_[i] [or Underlying B, as the case may be,] in these Terms and Conditions shall be deemed to refer to the Replacement [Basket Component] [Fund], 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] [NAV] of the Basket Component_[i] [or Underlying B, as the case may be,], 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_[i] after the original publication but prior to the Final Payment 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] [NAV] of the Basket Component_[i] or Underlying B, as the case may be,], then the relevant value will not be specified again.]

- [(•)] If the [Basket Component_[i]] [Fund] is no longer [calculated] [managed] by the [respective] 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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] (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 the case of Securities governed by German law, insert: in its reasonable discretion (§ 315 et seq. BGB)*] [*in the case of Securities governed by Italian law, insert: acting in accordance with relevant market practice and in good faith*] (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 Single Underlying and Multi Underlying Securities, dated 1 March 2018

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, dated 1 March 2018 the Conditions of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 1 March 2018 are hereby incorporated by reference into this Base Prospectus.

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 7 December 2018

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, dated 7 December 2018 the Conditions of the Securities included in the Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities, dated 7 December 2018 are hereby incorporated by reference into this Base Prospectus.

A list setting out the information incorporated by reference is provided on page 564 et seq.

DESCRIPTION OF INDICES COMPOSED BY THE ISSUER OR BY ANY LEGAL ENTITY BELONGING TO THE SAME GROUP

"Description of the UC European Sector Rotation Strategy Index

The "UC European Sector Rotation Strategy Index" (the "**Index**") (ISIN: DE000A18T264; WKN: A18T26) is an index, developed and designed by UniCredit Bank AG or its legal successor (the "**Index Sponsor**"), and calculated by UniCredit Bank AG or, as announced by the Index Sponsor, its legal successor (the "**Index Calculation Agent**") in Euro (the "**Index Currency**"), applying the rules ("**Index Rules**") outlined below.

1. General Description

The Index provides exposure to those sectors of the STOXX[®] Europe 600 Index universe that are likely to best profit from different phases of the European business cycle (the "**Index Objective**"). For this purpose, the sector indices (the "**Sector Indices**") are grouped into two baskets (the "**Baskets**"):

a defensive basket (the "**Defensive Basket**") and

a cyclical basket (the "**Cyclical Basket**").

In addition, at times the Index may provide exposure to the STOXX Europe 600 Net Return Index (the "**Parent Index**"). The Index will be calculated and published by the Index Calculation Agent. The Index will be regularly adjusted according to this Index Description.

The current Index value (the "**Index Value**") and the weights of the instruments will be published on each Trading Day on www.onemarkets.de or a successor website. The Index Value will also be published via Reuters: .UCGRESRS and Bloomberg: UCGRESRS <Index> (or a successor page).

The index value on 24 February 2016 ("**Index Start Date**") is EUR 1,000 ("**Initial Index Value**").

2. The Instrument Universe

As of the first Trading Day, the instrument universe (the "**Instrument Universe**") consists of the following Exchange Traded Funds (ETFs) (the "**Instruments**") which reflect an investment in the Sector Indices, the Parent Index, and the Euro Money Market ("**Cash Instrument**"):

	Instruments in the Cyclical Basket	Bloomberg	Reuters
1	iShares STOXX Europe 600 Automobiles & Parts UCITS ETF	SXAPEX GY Equity	SXAPEX.DE
2	iShares STOXX Europe 600 Basic Resources UCITS ETF	SXPPEX GY Equity	SXPPEX.DE
3	iShares STOXX Europe 600 Chemicals UCITS ETF	SX4PEX GY Equity	SX4PEX.DE
4	iShares STOXX Europe 600 Construction & Materials UCITS ETF	SXOPEX GY Equity	SXOPEX.DE
5	iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF	SXNPEX GY Equity	SXNPEX.DE
Instruments in the Defensive Basket			
6	iShares STOXX Europe 600 Food &	SX3PEX GY	SX3PEX.DE

	Beverage UCITS ETF	Equity	
7	iShares STOXX Europe 600 Health Care UCITS ETF	SXDPEX GY Equity	SXDPEX.DE
8	iShares STOXX Europe 600 Oil & Gas UCITS ETF	SXEPEX GY Equity	SXEPEX.DE
9	iShares STOXX Europe 600 Telecommunications UCITS ETF	SXKPEX GY Equity	SXKPEX.DE
10	iShares STOXX Europe 600 Utilities UCITS ETF	SX6PEX GY Equity	SX6PEX.DE
Parent Index			
11	iShares STOXX Europe 600 UCITS ETF	SXXPIEX GY Equity	STOXXIEX.DE
Cash Instrument			
12	DBX II EONIA - 1C	XEON GY Equity	XEON.DE

In case that distributions occur with respect to an Instrument, the complete amount of the distributions shall be reinvested into the Cash Instrument, such that the number of units N_C (as defined in section 6) of the Cash Instrument increases on the ex-date of the distribution. The ex-date is the day on which the instrument is quoted "ex distribution" for the first time.

3. Definitions

"Ifo Business Climate"	The ifo Business Climate is based on ca. 7000 monthly survey responses of firms in manufacturing, construction, wholesaling and retailing. The firms are asked to give their assessments of the current business situation and their expectations for the next six months. They can characterise their situation as "good", "satisfactorily" or "poor" and their business expectations for the next six months as "more favourable", "unchanged" or "more unfavourable". The replies are weighted according to the importance of the industry and aggregated. The balance value of the current business situation is the difference of the percentages of the responses "good" and "poor", the balance value of the expectations is the difference of the percentages of the responses "more favourable" and "more unfavourable". The publication takes place on a monthly basis and is published by the ifo Institute (every day a publication takes place is a "Publication Day"). The value for the subcomponent Business Expectations used in the Index model will be published i.a. on Bloomberg under GRIFPEX <Index> or the website of the ifo Institute (www.cesifo-group.de). For the calculation of the signals of the Index model (see Section 9 "Business Cycle Signal") the respective initially published (non-revised) values of the ifo Business Climate, subcomponent Business
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	Expectations, will be used.
" Investment Period "	Each period between two consecutive Publication Dates of the ifo Business Climate Index.
" Trading Day "	Every day on which STOXX Ltd. calculates an official closing price for the STOXX [®] Europe 600 Index and the Relevant Exchange as well the Relevant Derivatives Exchange are open for business.
" Calculation Moment "	The moment immediately after the closing prices for all relevant Instruments have been disseminated on every Trading Day.
" Distributions "	Distributions are all income, dividends, interest, etc. paid on the Instruments.
" First Selection Day "	23 February 2016 (will be denoted as T_0).
" Selection Day "	Each Publication Date of the ifo Business Climate Index (denoted by T_k). Those Selection Days which lay before the First Selection Day ($k < 0$) will be denoted as "Historic Selection Days".
" First Adjustment Day "	The Index Start Date.
" Adjustment Day "	The Trading Day immediately following the publication of the ifo Business Climate Index, if <ol style="list-style-type: none"> 1. this Trading Day falls into the months February, May, August or November. 2. for all other months: if there is a Need for Adjustment (as defined in Section 8) on the associated Selection Day.
" Adjustment Moment "	The moment immediately after the closing prices for all relevant Instruments have been disseminated on an Adjustment Day.
" Dividend Day "	The Trading Day before the last Trading Day of each November, denoted as T_{DIV} .

4. Relevant Exchange and Relevant Derivatives Exchange

Relevant Exchange	Relevant Derivatives Exchange
XETRA	EUREX

5. Calculation of the Index

The Index Value $I(t)$ at any time t is defined to be:

$$I(t) = \left(1 - Fee \cdot \frac{t - t_{adj}^{pre}}{360}\right) \left(\sum_{i=1}^5 N_i^d \cdot S_i^d(t) + \sum_{i=1}^5 N_i^c \cdot S_i^c(t) + N_B \cdot B(t) + N_C \cdot C(t)\right), \text{ where}$$

N_i^d	denotes number of the i-th Instrument units in the Defensive Basket $i \in \{1, \dots, 5\}$
N_i^c	denotes number of the i-th Instrument units in the Cyclical Basket $i \in \{1, \dots, 5\}$
N_B	denotes number of the Parent Index units
N_C	denotes number of the Cash Instrument units
$S_i^d(t)$	denotes Last Available Price for the i-th component of the Defensive Basket $i \in \{1, \dots, 5\}$
$S_i^c(t)$	denotes Last Available Price for the i-th component of the Cyclical Basket $i \in \{1, \dots, 5\}$
$B(t)$	denotes Last Available Price for the Parent Index
$C(t)$	denotes Last Available Price for the Cash Instrument
Fee	denotes the Index Fee of 1.35%
t_{adj}^{pre}	denotes the immediately preceding Adjustment Day

"**Last Available Price**" for any Instrument is defined as the prevailing price at time (t) disseminated by the Relevant Exchange as obtained by the Index Calculation Agent via information providers such as Bloomberg or Reuters, as long as no Market Disruption Event (as defined in section 11 below) has occurred.

The Index will be calculated continuously, at least on every Calculation Moment on every Trading Day (the associated index value is defined as "**Index Closing Value**"). For technical reasons, the Index Calculation Agent reserves the right to publish the Index Closing Value with a delay of up to two Trading Days.

The Index Value will be rounded up or down to two decimals, where 0.005 will be rounded up.

6. Adjustments

On each Adjustment Day the Index Calculation Agent identifies the necessary adjustments and determines the new Index composition on the basis of the following algorithm.

The number of units of the i^{th} Index constituent is re-calculated immediately after the relevant Adjustment Moment t_{adj} :

$$N_C^{new} = \left(1 - Fee \cdot \frac{t_{adj} - t_{adj}^{pre}}{360}\right) \cdot N_C \quad \text{Number of units of the Cash Instrument}$$

$$N_i^{cnew} = \frac{\omega_i^c \cdot (I(t_{adj}) - N_C^{new} \cdot C(t_{adj}))}{S_i^c(t_{adj})}, \quad i \in \{1, \dots, 5\} \quad \text{Number of units of the Instruments in the Cyclical Basket}$$

$$N_i^{dnew} = \frac{\omega_i^d \cdot (I(t_{adj}) - N_C^{new} \cdot C(t_{adj}))}{S_i^d(t_{adj})}, \quad i \in \{1, \dots, 5\} \quad \text{Number of units of the Instruments in the Defensive Basket}$$

$$N_B^{new} = \frac{\omega_B \cdot (I(t_{adj}) - N_C^{new} \cdot C(t_{adj}))}{B(t_{adj})} \quad \text{Number of units of the Parent Index}$$

where

$I(t_{adj})$	Denotes the value of the Index at the relevant Adjustment Moment (t_{adj})
N_i^{cnew}	denotes number of units of the i -th Instrument in the Cyclical Basket immediately after the relevant Adjustment Moment (t_{adj})
N_i^{dnew}	denotes number of units of the i th Instrument in the Defensive Basket immediately after the relevant Adjustment Moment (t_{adj})
N_B^{new}	denotes number of units of the Parent Index immediately after the relevant Adjustment Moment (t_{adj})
N_C^{new}	denotes number of units of the Cash Instrument immediately after the relevant Adjustment Moment (t_{adj})
ω_i^c	denotes the target weight of the i -th Instrument in the Cyclical Basket as determined on the respective Selection Day, i.e. T_k
ω_i^d	denotes the target weight of the i -th Instrument in the Defensive Basket as determined on the respective Selection Day, i.e. T_k
ω_B	denotes the target weight of the Parent Index as determined on the respective Selection Day, i.e. T_k
t_{adj}^{pre}	denotes the Adjustment Moment on the immediately preceding Adjustment Day

The number of units N_i^{cnew} , N_i^{dnew} , N_B^{new} and N_C^{new} are rounded to 8 decimal places according to common market practice. The superscript "new" will be dropped after the completion of the Adjustment.

On the First Adjustment Day, $I(t_{adj})$ equals the Initial Index Value, and $N_C = 0$.

7. Dividend

Once per year, on the Dividend Day T_{DIV} , immediately after the Calculation Moment (respectively, if the Dividend Day is an Adjustment Day, immediately after the completion of the adjustment

occurring on this day) the "Dividend" will be determined as the current value of the Cash Instrument of the Index:

$$\text{Dividend} := N_C(T_{DIV}) \times C(T_{DIV})$$

Whereas $N_C(T_{DIV})$ denotes the number of and $C(T_{DIV})$ the last available price of the Cash Instrument at the aforesaid time. In case of a Market Disruption Event on the Dividend Day the price of the Cash Instrument will be determined according to the rules outlined in section 11.2.

Thereafter, the number of units of the Cash Instrument will be denoted as N_C^{reset} and reset to zero:

$$N_C^{reset} = 0$$

After the reset the superscript "reset" is removed.

8. Signal Generation

The Target Weights are determined on each Selection Day T_k at the Calculation Moment on the basis of a Business Cycle Signal and a Feedback Signal. To do so, the Business Cycle Target Weight (as defined in Section 9) and the Feedback Target Weight (as defined in Section 10) will be added, such that (depending on the Business Cycle Signal and the Feedback Signal) the following Target Weights are obtained:

Business Signal	Cycle	Feedback Signal	Target Weight Cyclical Basket, ω_c	Target Weight Defensive Basket, ω_d	Target Weight Parent Index, ω_B
Cyclical Basket	Cyclical Basket	Cyclical Basket	100%	0%	0%
Cyclical Basket	Cyclical Basket	Parent Index	50%	0%	50%
Cyclical Basket	Cyclical Basket	Defensive Basket	50%	50%	0%
Defensive Basket	Defensive Basket	Cyclical Basket	50%	50%	0%
Defensive Basket	Defensive Basket	Parent Index	0%	50%	50%
Defensive Basket	Defensive Basket	Defensive Basket	0%	100%	0%

The Instruments in each Basket will be equally weighted, i.e. the Target Weights of the Instruments of the Cyclical Basket and the Defensive Basket, respectively, will be calculated as follows:

$$\omega_i^c := \frac{\omega_c}{5} \quad \text{Target Weight of the } i\text{-th Instrument of the Cyclical Basket}$$

$$\omega_i^d := \frac{\omega_d}{5} \quad \text{Target Weight of the } i\text{-th Instrument of the Defensive Basket.}$$

There is a need for adjustment (the "Need for Adjustment") if the newly determined Target Weights of the Cyclical Basket, the Defensive Basket or the Parent Index on the Selection Day T_k deviate from the respective Target Weights determined on the immediately preceding Selection Day T_{k-1} .

Between two Adjustment Days, the actual weights of the instruments in the Index may vary according to the price changes of the instruments. If there is no need for adjustment on the Selection Day, the actual weights will be continued accordingly.

9. Business Cycle Signal

We refer to the (unrevised) Ifo Business Climate Index (subcomponent Business Expectations) $E(T_k)$ as initially published on the Selection Day T_k and available at the Calculation Moment on Reuters and Bloomberg or on the website of the Ifo Institute.

An uptrend is identified if at time T_k the Ifo Business Expectations have risen for three consecutive months by a total of 2 or more index points:

$$E(T_k) \geq E(T_{k-1}) \geq E(T_{k-2}) \geq E(T_{k-3}) \quad \text{where} \quad E(T_k) - E(T_{k-3}) \geq 2.$$

A turning point for the beginning of an uptrend is defined as the third month of an uptrend after a previous downtrend. At such a turning point, the business cycle signal will assign a Business Cycle Target Weight of 50% to the Cyclical Basket.

A downtrend is identified if at time T_k the Ifo Business Expectations have fallen for three consecutive months by a total of 2 or more index points:

$$E(T_k) \leq E(T_{k-1}) \leq E(T_{k-2}) \leq E(T_{k-3}) \quad \text{with} \quad E(T_{k-3}) - E(T_k) \geq 2.$$

A turning point for the beginning of a downtrend is defined as the third month of a downtrend after a previous uptrend. At such a turning point, the business cycle signal will assign a Business Cycle Target Weight of 50% to the Defensive Basket.

If the business cycle signal does not indicate a turning point, the allocation that was derived from the last turning point remains unchanged.

If on the first Selection Day T_0 the business cycle signal does not indicate a turning point, the business cycle signal on the (historical) Selection Days T_h , $h = -1, -2, \dots$, starting at $h = -1$, is determined until a turning point is found. This turning point is then considered to be determining the Business Cycle Target Weight on the first Selection Day.

10. Feedback Signal

On the Selection Day T_k , the average performances of the Cyclical Basket, the Defensive Basket and the Parent Index over the preceding three Investment Periods are calculated, and the three values are compared:

$$R_c = \frac{1}{3} \sum_{j=k-2}^k \cdot \sum_{i=1}^5 \frac{1}{5} \cdot \left(\frac{S_i^c(T_j)}{S_i^c(T_{j-1})} - 1 \right)$$

$$R_d = \frac{1}{3} \sum_{j=k-2}^k \cdot \sum_{i=1}^5 \frac{1}{5} \cdot \left(\frac{S_i^d(T_j)}{S_i^d(T_{j-1})} - 1 \right)$$

$$R_B = \frac{1}{3} \sum_{j=k-2}^k \left(\frac{B(T_j)}{B(T_{j-1})} - 1 \right)$$

Here, T_k refers to the Calculation Moment at the respective (possibly Historic) Selection Day T_k .

The Feedback Signal derived from these performance figures allocates as follows:

If $\max\{R_c, R_d, R_B\} = R_c$, the Feedback Signal allocates a Feedback Target Weight of 50% to the Cyclical Basket.

If $\max\{R_c, R_d, R_B\} = R_d$, the Feedback Signal allocates a Feedback Target Weight of 50% to the Defensive Basket.

If $\max\{R_c, R_d, R_B\} = R_B$, the Feedback Signal allocates a Feedback Target Weight of 50% to the Parent Index.

11. Market Disruption

11.1. Reweighting

In case a Market Disruption occurs or exists on an Adjustment Day, the respective Adjustment Day is postponed to the next Trading Day on which the Market Disruption no longer exists. If a Market Disruption exists for five (5) consecutive Trading Days, (i) the fifth Trading Day is deemed to be the Adjustment Day and (ii) the reweighting according to section 6 is implemented in such a way that the number of unit of the Instrument affected by the Market Disruption remains unchanged in comparison with the respective previous Adjustment Day. If the unchanged number of unit of the respective Instrument affected by the Market Disruption is lower than the number of unit that would have been implemented on the Adjustment Day in the absence of the Market Disruption, the number of unit of the Cash Instrument shall be increased proportionally. However, if the unchanged number of unit of the respective Instrument affected by the Market Disruption is higher than the number of unit that would have been implemented on the Adjustment Day in the absence of the Market Disruption, the remaining number of units of all other Instruments (with a Target Weight > 0) shall be reduced proportionally.

11.2. Index Value

If an Instrument is affected by a Market Disruption on any Trading Day and the Market Disruption continues at the Calculation Moment, the last available price before the Market Disruption is used for the calculation of the Index Value.

If this price is not consistent with the prevailing market conditions or not suitable for any other reason, the reasonable price of the Instrument in accordance with the prevailing market conditions is used. Such price shall be determined by the Index Calculation Agent in its reasonable discretion (§ 315 BGB).

11.3. Definition of the Market Disruption

A market disruption (a "**Market Disruption**") exists if and as long as any Instrument is affected by a Market Disruption Event.

"**Market Disruption Event**" means any of the following events:

- (a) the suspension or restriction of trading on the Instrument or the constituents of a basis index on the Relevant Exchange due to price movements exceeding the limits of the Relevant Exchange or for any other reason;
- (b) the suspension or restriction of trading in a derivative on the Instrument on the Relevant Derivatives Exchange due to price movements exceeding the limits of the Relevant Derivatives Exchange or for any other reason;
- (c) the suspension or restriction of trading in ETFs or securities (e.g. Index Tracker Certificates), which track the respective Instrument, on the exchanges or the markets, on

which these ETFs or securities are traded, or on the derivative exchanges or the markets, on which derivatives on these ETFs are traded, due to price movements exceeding the limits of the respective exchange or derivative exchanges respectively the operator of these markets, or for any other reason;

- (d) the non-publication of the price of the Instrument as a result of a decision by the entity that is responsible for the calculation and/or publication of its NAV (for ETFs) respectively value.

to the extent that such Market Disruption Event is material; whether this is the case shall be determined by the Index Calculation Agent in its reasonable discretion (§ 315 BGB).

12. Extraordinary Adjustment

If pursuing 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 changed market circumstances, the Index Sponsor shall amend the Index Rules in its reasonable discretion (§ 315 BGB) in such a way that a substantially unchanged pursuance of the Index Objective remains possible. Such a change in the Index Rules shall not have a significant adverse effect on the economic position of the holders of financial products linked to the Index.

In the case of an Fund Event, Index Event or other serious circumstances, the affected Instruments 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 or the other serious circumstances. This substitution is carried out by the Index Sponsor in its reasonable discretion (§ 315 BGB). In this context particularly after the occurrence of an Fund Event each of the ETFs effected by the Fund Event can be replaced by an ETF of an comparable asset class and/or by its Parent Index. The economic position of the holders of financial products linked to the Index shall not be substantially deteriorated by the measures described in this paragraph.

"Fund Event" means with respect to an Instrument that is an ETF any of the following events; the occurrence of any such event being determined by the Index Calculation Agent in its reasonable discretion (§ 315 BGB):

- (a) changes are made in one of the Fund Documents 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 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 Net Asset Value or (v) the timetable for the subscription, issue, redemption and/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 or substantially higher than the fees, premiums, discounts, charges, commissions, taxes or similar fees already charged before the date on which the ETF is added to the Index);
- (d) the ETF or the Management Company or the Fund Service Provider appointed for this purpose by the ETF 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 ETF;

- (f) a change of 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 or 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 ETF, the Management Company or a Fund Service 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) that is material, or a breach of statutory or regulatory requirements by the ETF or the Management Company;
- (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which in relation to the subscription, redemption or holding of ETF Shares by the hedging party (i) requires a reserve or provision, or (ii) requires to significantly increase the amount of regulatory capital held by the hedging party in relation to the hedging transactions in comparison with the conditions applying on the Index Start Date (in particular such a change to laws or regulations relevant for the hedging party that results in a regulatory reclassification of the ETF if the ETF does not provide a list of its investments ("Portfolio Reporting") and the hedging party does not receive the Portfolio Reporting from the ETF pursuant to the regulatory requirements in the demanded frequency);
- (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which it would become unlawful or impracticable for the hedging party to maintain its hedging transactions or which would entail substantially higher costs;
- (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 ETF Shares outstanding;
- (l) the hedging party is required to consolidate the ETF as a result of accounting or other regulations;
- (m) the sale or redemption of the ETF Shares by the hedging party for mandatory reasons provided that the sale or redemption 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 of existing ETF Shares or (ii) the reduction of the number of ETF Shares of an investor in the ETF for reasons outside the control of that investor or (iii) the subdivision, merger (consolidation) or reclassification of the ETF Shares or any other measure that has a diluting or concentrative effect on the theoretical value of a ETF Share or (iv) payments in respect of a redemption of ETF 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 ETF;

- (o) the Management Company or a Fund Service Provider discontinues its services for the ETF or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another appropriate service provider;
- (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 settlement, 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 investor holding the ETF Shares;
- (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 ETF as the basis for the calculation, determination and publication of the Index;
- (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 substantial negative consequences for an Issuer or the hedging party;
- (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 policy or distribution policy of the ETF which could have a substantial negative effect on the amount of distributions by the ETF 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 into which it entered with the Index Sponsor, an Issuer or the hedging party and that specifies the terms and conditions for the subscription or redemption of ETF Shares or the remuneration in relation to ETF Shares held by the Index Sponsor in its function as hedging party 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 Sponsor with information that is necessary to verify the ETF's compliance with its investment guidelines or restrictions in a timely manner;
- (x) the ETF 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 ETF or the ability of the hedging party to hedge its obligations under the hedging transactions on more than a temporary basis;
- (z) the Net Asset Value of the ETF is no longer published in the Base Currency;
- (aa) the quotation of the ETF and the ETF Shares, respectively, at the Relevant Exchange is ceased and no Successor Relevant Exchange could be determined;
- (bb) the performance of the ETF is higher than the performance of the respective ETF-Parent

Index on five consecutive trading days determined on the basis of the respective closing prices.

Where:

"Fund Service Provider" means in relation to 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 an ETF, in each case, if available and in the respective valid version, the annual report, the half-yearly report, 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 ETF in which the terms and conditions of the ETF and the respective ETF Shares are specified.

"Fund Management" means in relation to an ETF, the persons responsible for the portfolio and/or risk management of the ETF.

"Index Event" means with respect to an Instrument that is a Base Index any of the following events;

- a) the calculation or publication of the Base Index is discontinued; or the Base Index is replaced;
- b) a change of the index concept or the calculation methodology of the Base Index, that result in a new index concept or calculation methodology being no longer economically equivalent to the original index concept or calculation methodology; whether this is the case shall be determined by the Index Sponsor in its reasonable discretion (§315 BGB);
- c) any other event that could have a noticeable adverse effect on the Base Index Value; whether this is the case shall be determined by the Index Sponsor in its reasonable discretion (§ 315 BGB).

13. Index Sponsor, Index Calculation Agent

The Index Sponsor has assigned all rights and duties with regard to the calculation of 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.

14. Disclaimer

The Index exists exclusively in the form of data sets and does not convey any direct or indirect or legal or beneficial interest or ownership in the Instruments. Any action specified above in respect of the Index shall be effected solely on a theoretical basis by an amendment to such data. 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 Instruments directly or indirectly.

The calculation of the Index Value and the weights of the Instruments will be performed by the Index Calculation Agent with all due care. The Index Sponsor and the Index Calculation Agent exclude any liability for except in the event of wilful misconduct or gross negligence on their part. Neither the Index Sponsor nor the Index Calculation Agent give any representation or guarantee for the correctness of the market data Instrument the calculations for the Index. Neither the Index Sponsor nor the Index Calculation Agent assume any liability for any direct or indirect damage

which may result from an incorrect calculation of the market data Instrument the calculation of the Index Value.

Neither the Index Sponsor nor any person related to the Index has the function of a trustee or advisor towards the holders of financial instruments linked to the Index.

FORM OF FINAL TERMS

[[MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]; and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Securities (a "**Distributor**") should take into consideration the manufacturer[']s target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer[']s target market assessment) and determining appropriate distribution channels.]

[MIFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of [the][each] manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]; EITHER [and (ii) all channels for distribution of the Securities are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] OR [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Securities to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Securities (a "**Distributor**") should take into consideration the manufacturer[']s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer[']s target market assessment) and determining appropriate distribution channels[, subject to the Distributor's suitability and appropriateness obligations under MiFID II, as applicable].]

Final Terms

dated [*Insert*]

UniCredit S.p.A.

Issue of [*Insert title of the Securities*]

(the "**Securities**")

under the

Base Prospectus dated 19 April 2019 for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection)

within the

Euro 1,000,000,000 Issuance Programme of UniCredit S.p.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 the Luxembourg Prospectus Law at the date of the Base Prospectus. 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 S.p.A. (the "**Issuer**") dated 19 April 2019 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 S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy, and in addition on the website [Insert website] or any successor website thereof.

In addition, the Base Prospectus [,] [and] [any Supplement] [and the respective Final Terms] will be automatically published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

*[The validity of the above mentioned Base Prospectus dated 19 April 2019, 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 S.p.A. for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) will be published on [●].]*¹¹

[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 Single Underlying and Multi Underlying Securities dated [1 March 2018] [7 December 2018] 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]

¹¹ 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.

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] [Garant Digital Cash Collect Memory Securities] [Telescope Securities linked to Target Vol Strategies¹²] [Securities linked to Target Vol Strategies] [Worst-of Cash Collect Garant Securities] [Reverse Icarus Garant Securities]

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.]

[Application to [listing][trading] [will be] [has been] made as of *[Insert expected date]* on the following [markets][multilateral trading facilities or other equivalent trading venues]: *[Insert relevant market(s)].*]

[The Securities are already traded on the following [markets][multilateral trading facilities or other equivalent trading venues]: *[Insert relevant market(s)].*]

[The *[Insert name of the Market Maker]* (also the "**Market Maker**") undertakes to provide liquidity

¹² The Nominal Amount of Telescope Securities linked to Target Vol Strategy shall not be less the EUR 100,000.

[through bid and offer quotes] in accordance with the market making rules of [*Insert relevant regulated or (an) equivalent market(s) or other market(s) or trading venue(s)*], where the Securities are expected to be [listed][traded]. [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) or other market(s) or trading venue(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*].]

[Start of the new [public] offer: [*Insert*] [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]

[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.]

[Minimum Subscription Amount: [*Insert*]]

[Maximum Subscription Amount: [*Insert*]]

[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 [Italy] [,] [and] [Germany] [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.]

[The effectiveness of the offer is subject to [the adoption of the admission provision for trading by [insert market(s) or trading venue(s)] prior to the Issue Date] [the confirmation, prior to the Issue Date, by [Insert relevant market(s) or trading venue(s)] on the admissibility of the payoff with start of trading on the [insert number of days] business day following the Issue Date]. The Issuer undertakes to request the admission to trading on [insert market(s) or trading venue(s)] in time for the adoption of the admission provision by the Issue Date.]

[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].]

[The Distributor is [insert name and details].]

[The [Issuer] [relevant Distributor] [insert other] 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).]

[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.]

Consent to the use of the Base Prospectus:

[In the case of a general consent, the following applies:

The Issuer consents to the use of the Base Prospectus by all financial intermediaries (so-called general consent).

Such consent to use the Base Prospectus is given [for the following offer period of the Securities: [insert offer period for consent] [during the period of the validity of the Base Prospectus].

General consent for the subsequent resale or final placement of Securities by the financial intermediar[y][ies] is given in relation to [Italy] [,] [and] [Germany] [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)].

Such consent to use the Base Prospectus is given [for the following period: [insert period for consent]].

Individual consent for the subsequent resale or final placement of the Securities by the financial intermediar[y][ies] is given in relation to [Italy] [,] [and] [Germany] [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 (i) each financial intermediary complies with the applicable selling restrictions and the terms and conditions

of the offer and (ii) the consent to the use of the Base Prospectus has not been revoked.]

[In addition, the Issuer's consent to the use of the Base Prospectus is given under the condition that the financial intermediary using the Base Prospectus commits itself to comply any information and notification requirements under investment laws and regulations with regard to the Underlying or its Components. 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.]

[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:

[Any of the distributors and their affiliates may be customers or borrowers of the Issuer and 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 its affiliates in the ordinary course of business.]

[[UniCredit S.p.A.] [UniCredit Bank AG] [and][or] [[T][t]he Distributor] [has][have] a conflict of interest with regard to the Securities as they belong to UniCredit Group.]

[[UniCredit S.p.A.] [UniCredit Bank AG] is the Distributor of the Securities.]

[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is the Calculation Agent of the Securities.]

[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is [also] the [Principal] Paying Agent of the Securities.]

[[UniCredit S.p.A.] [UniCredit Bank AG] [The Distributor] is the arranger of the Securities.]

[[UniCredit S.p.A.] [,][and] [UniCredit Bank AG] [,][and] [The Distributor] [has][have] a conflict of interest with regard to the Securities as [UniCredit Bank AG] [it][they] act[s] as systematic internalizer in the execution of customer orders.]

[[UniCredit S.p.A.] [UniCredit Bank AG] acts as [index sponsor] [and] [, index calculation agent] [and] [, index advisor] [and] [index committee] with respect to the [Underlying] [or] [Basket Components] of the Securities.]

[With regard to trading of the Securities [UniCredit S.p.A.][UniCredit Bank AG][a swap counterparty][the Distributor] has a conflict of interest being also the Market Maker on [*Insert*

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).

relevant regulated or equivalent market(s) or other market(s) or trading venue(s) [any [regulated or equivalent] [or] [other] market(s) [or] [trading venue(s)] where the Securities are listed or admitted to trading].]

[[*Insert relevant regulated or equivalent market(s) or other market(s) or trading venue(s)*] [Any [regulated or equivalent] [or] [other] market(s) [or] [trading venue(s)] where the Securities are listed or admitted to trading] is organised and managed by the [*insert*] [UniCredit S.p.A.][UniCredit Bank AG][the Distributor][a company in which UniCredit S.p.A. [– the holding company of UniCredit Bank AG –]has a stake in] [and] [is related to]].]

[[EuroTLX SIM S.p.A.] [*Insert relevant regulated or equivalent market(s) or other market(s) or trading venue(s)*] is a related party to [UniCredit S.p.A.][UniCredit Bank AG]. [The term related party, in relation to an entity, means any other entity which, directly or indirectly, controls that entity, or is controlled, directly or indirectly, by that entity, or where the entity and the other entity, directly or indirectly, are under the control of a common entity.]]

[[UniCredit S.p.A.][UniCredit Bank AG] [or] [one of its affiliates] acts as an investment advisor or manager of a fund used as Underlying or Basket Components.]

[The relevant Distributor receives from the Issuer an implied placement commission comprised in the Issue Price [*insert*] [while] [the Issuer] [*insert*] [will receive] [an implied structuring commission] [*insert*] [and other charges].]

[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.]

[Not applicable.]

Additional information:

[*Insert additional provisions*]²

[Not applicable]

SECTION B – CONDITIONS

Part A - General Conditions of the Securities

[In case of non-consolidated General Conditions, complete relevant placeholders and specify relevant options:

Issuer:	UniCredit S.p.A.
Type of the Securities / Form:	[Notes] [Certificates] [bearer form (global note)] [in dematerialized registered form (book entry)]
Applicable Law:	[German law (Option 1 of the General Conditions is applicable)] [Italian law (Option 2 of the General Conditions is applicable)]
Global Note:	[Permanent Global Note] [Temporary Global Note] [Not applicable]
Book Entry:	[Applicable] [Not applicable]
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] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy] [*Insert name and address of other paying agent*]

French Paying Agent: [CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France] [*Insert name and address of other French Paying Agent*] [Not applicable]

Calculation Agent: [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy]

[*Insert name and address of other calculation agent*]

Clearing System, Custody: [CBF]

[CBL and Euroclear Bank]

[Euroclear France]

[Monte Titoli]

[*Other*]

[*In the case of Securities being offered to Italian consumers, the following applies: (bridge to Monte Titoli)*]

Waiver Right [Applicable] [Not applicable]

[General Conditions designated as "*in the case of Securities governed by German law, insert:*" shall apply.]

[General Conditions designated as "*in the case of Securities governed by Italian law, insert:*" shall apply.]

[*In case of consolidated General Conditions, insert the relevant Option of the "General Conditions" (including relevant options contained therein) and complete relevant placeholders*]

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 S.p.A.

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 S.p.A.][insert]

Facsimile: [+ 39 02 49535357][insert]

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

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, Luxembourg, Italy and the United States of America.

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, Luxembourg, Italy and the United States of America 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.

International Exchange of Information

Based on the "OECD Common Reporting Standard (CRS)" states, which have committed themselves to apply the OECD Common reporting Standards ("**Participating States**"), exchange information with respect to financial accounts held by persons in another Participating State. The same applies to Member States of the European Union. Since 2017 the competent authorities of each EU member state automatically has to submit information on financial accounts and advance cross-border rulings of each person domiciled in the respective EU member state to the competent authorities of each other EU member state.

Since 2018 the competent authorities of each EU member state automatically has to submit anti-money laundering information. Investors should obtain information and/or seek advice if required.

EU Savings Directive

The EU Directive 2003/48/EC on the taxation of savings income in the form of interest income ("**EU Savings Directive**") was repealed in general on 1 January 2016.

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

European Financial Transaction Tax

The European Commission has issued a draft directive (the "**Commission Proposal**") for a common system of financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia decided not to take part in the discussions anymore. Luxembourg decided not to participate in the Commission Proposal.

The scope of the Commission Proposal is very broad and the proposal could, insofar as it is introduced, under certain conditions apply to specific security transactions (especially secondary market transactions).

The proposed FTT is subject to negotiations between the Participating Member States with respect to the exact form and the timing. It may therefore be altered prior to any implementation. Additional EU Member States may decide to join while Participating Member States might propose changes or cancel their participations.

Besides a possible FTT, France and Italy have already introduced its own financial transaction tax. Spain is currently planning the introduction of financial transaction tax. The German government coalition declared its intention to complete the introduction of a substantial financial transaction tax.

Investors are advised to seek professional advice regarding financial transaction taxes.

Italian Financial Transaction Taxes

In 2012, the Italian Parliament has passed the law on Italian Financial Transaction Tax (IFTT) "Law no. 228/2012". Effective since 1 March 2013, the acquisition of

- Stocks of Italian limited companies whose capitalization exceeds EUR 500 million and
- other equity instruments of these public limited companies (this includes e.g. DRs¹³)

is taxable. The tax is payable for the relevant products regardless of the transaction location or the legal seat of the parties involved.

According to the law, the taxation of derivatives is carried out since 1 September 2013. Concerning derivatives the IFTT arises for both contracting parties (buyer- and seller-party).

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 legal entities to corporate income 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 person is deemed to be a resident of Germany if his/her place of residence or habitual abode is located there or, in case of legal entities, its domicile or senior management.

(1) Taxation of securities held as part of personal assets

The following applies to persons resident in Germany who hold the securities as part of their personal assets:

(a) Income

The Securities should qualify as other financial claims within the meaning of § 20 (1) No. 7 of the Income Tax Act ("**ESTG**"). Accordingly, interest payments on the Securities should qualify as investment revenues within the meaning of § 20 (1) No. 7 of the Income Tax Act ("**ESTG**").

Similarly, gains or losses on disposal of the Securities should qualify as positive or negative investment income within the meaning of § 20 (2) No. 7 EStG. A gain/loss on disposal is equal to the difference between the acquisition cost and the sale proceeds. In addition, expenses directly and materially related to the sale transaction can be deducted (§ 20 (4) sentence 1 EStG). For transactions not executed in euros, the acquisition costs and the sale proceeds must be converted into euros based on the exchange rate at the times of the respective transactions.

¹³ So-called Depositary Receipts or Global Depositary Receipts. These certificates representing ownership of a stored stock.

Pursuant to § 20 (6) EStG 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.

If the Securities are not sold, but rather redeemed, repaid, assigned or deposited in a corporation as hidden contributions, these events are treated as a disposal (§ 20 (2) sentence 2 EStG).

According to the current opinion of the tax authorities, there is no disposal 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 of the relevant Security. In the same way, a default of financial claims will not be treated as a disposal (e.g. in case the issuer becomes insolvent). The same applies to a debt write-down unless there are hidden contributions in a corporation. As a result, losses from a default or debt write-down are not deductible in the opinion of the tax authorities.

In case of full risk certificates (*Vollrisikozertifikate*) which provide for instalment payments, such instalment payments shall qualify as investment income within the meaning of § 20 (1) No. 7 EStG, unless the terms and conditions of the securities provide explicit rules regarding the (partial) redemption during the term of the certificates and the parties comply with these rules. If full risk certificates with instalment payments do not provide a final payment at maturity the expiry shall not qualify as disposal of the securities within the meaning of § 20 (2) EStG, which means that the remaining acquisition costs are not deductible. Likewise, if no redemption is made on maturity (or at earlier date) because the underlying has left a corridor, no disposal is assumed. Although this administrative tax opinion refers to full risk certificates with instalment payments, it is uncertain to which types of securities such principles will be applied.

If the terms and 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 terms and 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 terms and conditions of the Securities, 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 (§ 20 (4a) (3) EStG), so that ultimately no taxable disposal gains could arise at the time of settlement. However, disposal gains arising from the onward sale of the received securities are always taxable, taking into account the acquisition costs of the initial securities.

(b) Withholding tax

Investment income (e.g. interest and disposal gains) is generally subject to a withholding tax 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 investment 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 withholding tax (for exceptions see below).

The withholding tax is always calculated on the basis of the gross investment income (as described above, i.e. before deduction of withholding 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 documented by the taxpayer in the form required by law, the withholding tax 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 withholding tax rate is 26.375 % (including the solidarity surcharge, plus church tax if applicable).

If the investor is subject to church tax, it is deducted in addition to the withholding 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 its tax return for church tax purposes.

Withholding tax is not deducted if the investor has submitted an exemption declaration to the Disbursing Institution. However, the Disbursing Institution will refrain from withholding 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 801.00 (EUR 1,602 in case of jointly assessed spouses and partners). Similarly, no withholding 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 withholding 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 withholding tax deductions (see above). If withholding tax is deducted and paid to the competent tax office, the deducted amount will generally cover the payable tax (flat tax on investment income).

If no withholding tax has been deducted, and this is not the result of an exemption declaration or certain other cases, the investor is obliged to declare the investment income concerned in its tax return. The investment income is then taxed on the basis of an assessment procedure. Even if withholding 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 special flat 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 the individual income tax rate to the investment income if that treatment is more favourable (i.e. the individual tax rate is lower). 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 partners, only a joint application is permitted.

When determining the investment income, the investment income allowance (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for jointly assessed spouses/partners) will be recognised as tax deductible expense. Actual expenses, if any, cannot be deducted. This also applies if the investment income is subject to the individual income tax rate.

In course of the assessment procedure, the deducted withholding tax is treated as an advance payment of income tax or the solidarity surcharge and is credited against the income tax to be paid and the solidarity surcharge.

(2) *Tax treatment of securities held as business assets*

Interest income and disposal gains made with Securities which are held as business assets are subject to taxation in Germany. If the investor is a legal 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 an 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, trade 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, but currently only within the scope of the assessment procedure. If the Final Terms 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 the Securities and as purchase of the securities delivered. Any disposal gains would be taxable; any disposal losses should be deductible in principle. Expenses which incur in connection with the holding of the Securities should be tax deductible.

The regulations for withholding tax as outlined above for privately held securities are generally applicable as well on business assets. However, investors which hold securities as business assets cannot submit an exemption declaration. Moreover, unlike in case of privately held securities, no withholding tax is deducted in case of capital gains from the disposal, 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 withholding tax is treated as an advance payment of income or corporate income tax or solidarity surcharge and is credited or refunded in the assessment procedure.

Persons not resident in Germany

Persons who are not tax residents in Germany are generally not liable for tax payments in Germany on income from 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 § 49 of the German Income Tax Act (EStG). In both 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 deceased or the heir is a tax resident or a deemed tax resident in 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 donor or the donee is a tax resident or a deemed 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.

Due to 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 or levies apply in Germany with regard to the issue, delivery or printing of securities. No wealth tax is collected in Germany at present.

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 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, premium, capital and any other proceeds payments made by the Issuer in connection with holding, selling, redeeming or repurchasing 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 taxes due under FATCA.

Investors not resident in Luxembourg

Pursuant to the Luxembourg law of 25 November 2014, which entered into force on 1 January 2015, the withholding tax system introduced by the Luxembourg law of 21 June 2005 for the implementation of the EU Savings Directive (the "**Implementation Laws**") and several treaties with

certain dependent or associated territories (the "**Territories**") has been abolished. The Luxembourg law of 21 June 2005 in itself was only abolished on 1 January 2016 by the Luxembourg law of 23 July 2016. Thus, Luxembourg no longer applies the previous system of withholding tax, and instead engages in the automatic exchange of information under the provisions of the expanded EU Administrative Cooperation Directive.

In this context, Luxembourg paying agents (within the meaning of the Law of 23 July 2016) are required to report to the competent Luxembourg authorities all interest income and comparable income credited or disbursed to (or in the interests of) private individuals or so-called established entities resident or established in another member state of the European Union or the Territories as of 1 January 2015. The above-mentioned responsible Luxembourg authority will forward the information thus received on interest income or comparable income to the competent authorities of the state of residence of the natural person or the state in which the entity is established or exists. The definition of comparable income within the meaning of the Law of 23 July 2016 includes interest arising or realised in connection with the disposal, reimbursement or redemption of claims.

Investors resident in Luxembourg

Under the Luxembourg law of 23 December 2005 as amended (the "**Law of 23 December 2005**"), a withholding tax of 20 % applies for interest income (i.e. interest income within the meaning of the Implementation Laws, with certain exceptions) and similar income paid out by Luxembourg paying agents (within the meaning of the law of 23 July 2016) 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 or a state or territory that has entered into a treaty referring directly to the EU Savings Directive (such as the Territories). 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.

ITALY

This section contains a brief summary on tax implications related to the Securities for Italian tax laws purposes. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with particular situations which may be of relevance for specific potential investors. It is based on the currently valid Italian tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation as of the date of this Base Prospectus, all of which may be amended from time to time. Such amendments may also be effected with retroactive effect and may negatively impact the tax consequences described below. Potential purchasers of the Securities should consult with their legal and tax advisors to check tax implications of their possible investment in the Securities.

This section does not constitute a tax advice and 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 may be subject to special rules.

Tax treatment of Securities issued by an 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 Italian banks.

The tax regime set forth by Decree 239 also applies to interest, premium and other income from regulatory capital financial instruments complying with EU and Italian regulatory principles, issued by, *inter alia*, Italian banks, other than shares and assimilated instruments, as set out by Article 2, paragraphs 22 and 22-bis, of Law Decree No. 138 of 13 August 2011, as converted with amendments by Law No. 148 of 14 September 2011 and as further amended and clarified by Law No. 147 of 27 December 2013.

Italian resident Security Holders

Where an Italian resident Security Holder is (a) an individual not engaged in an entrepreneurial activity to which the Securities 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 Security Holder has opted for the application of the *risparmio gestito* regime – see "Capital Gains Tax" below), interest, premium and other income relating to the Securities, accrued during the relevant holding period, are subject to a substitute tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent. In the event that the Security Holders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Securities are connected, the *imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Securities are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Securities if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(88-114) of Law No. 232 of 11 December 2016, as subsequently amended (the "**Finance Act 2017**") and in Article 1(210-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**").

Where an Italian resident Security Holder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Securities are effectively connected, and the Securities are deposited with an authorised intermediary, interest, premium and other income from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Security Holder's income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Security Holder, also to the regional tax on productive activities ("**IRAP**")).

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, par. 1, Legislative Decree No. 44 of 4 March 2014, payments of interest, premiums or other proceeds in respect of the Securities made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 (the "**Financial Services Act**") or pursuant to Article 14-bis of Law No. 86 of 25 January 1994, and Italian real estate investment companies with fixed capital (the "**Real Estate SICAFs**" and, together with the Italian resident real estate investment funds, the "**Real Estate Funds**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the Real Estate Fund is subject to taxation in the hands of the unitholder or shareholder regardless of distribution.

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 other than a Real Estate SICAF) 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 Securities are held by an authorised intermediary, interest, premium and other income accrued during the holding period on such Securities will not be subject to *imposta sostitutiva* nor to any other income tax in the hands of the Fund, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent. (the "**Collective Investment Fund Withholding Tax**").

Where an Italian resident Security Holder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005) and the Securities are deposited with an authorised intermediary, interest, premium and other income relating to the Securities 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 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (88-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, Italian investment companies (*società di intermediazione mobiliare*) ("**SIMs**"), fiduciary companies, Italian asset management companies (*società di gestione del risparmio*) (SGRs), stockbrokers and other entities identified by a decree of the Ministry of Finance (each an "**Intermediary**").

An Intermediary (a) must (i) be resident in Italy or (ii) be a permanent establishment in Italy of a non-Italian resident financial intermediary or (iii) an entity or company not resident in Italy, acting through a system of centralised administration of notes and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree 239; and (b) intervene, in any way, in the collection of interest or in the transfer of the Securities. For the purpose of the application of the *imposta sostitutiva*, a transfer of Securities includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Securities or in a change of the Intermediary with which the Securities are deposited.

Where the Securities are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Security Holder.

Non-Italian resident Security Holders

Where the Security Holder is a non-Italian resident without a permanent establishment in Italy to which the Securities are connected, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner is either (a) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy as listed in Ministerial Decree of 4 September 1996, as amended by Ministerial Decree of 23 March 2017 and possibly further amended according to Article 11(4)(c) of Decree 239 (as amended by Legislative Decree No.147 of 14 September 2015) (the "**White List**"); or (b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or (c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (d) an institutional investor which is established in a country included in the White List, even if it does not possess the status of taxpayer therein.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. (or at the reduced rate provided for by the applicable double tax treaty, if any) to interest, premium and other income paid to Security Holders who are resident, for tax purposes, in countries which do not allow for a satisfactory exchange of information with Italy.

In order to ensure gross payment, non-Italian resident Security Holders must be the beneficial owners of the payments of interest, premium or other income and (a) deposit, directly or indirectly, the Securities with a resident bank or SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance and (b) file with the relevant depository, prior to or concurrently with the deposit of the Securities, a statement of the relevant Security Holder, which remains valid until withdrawn or revoked, in which the Security Holder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001, as subsequently amended.

Tax treatment of Securities issued by a non-Italian resident issuer

Decree 239 also 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 notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, inter alia, by a non-Italian resident issuer.

Italian resident Security Holders

Where the Italian resident Security Holder is (a) an individual not engaged in an entrepreneurial activity, to which the relevant Securities 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 Security Holders has opted for the application of the *risparmio gestito* regime – see under "Capital Gain Tax" below), interest, premium and other income relating to Securities, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent. In the event that Security Holders described under (a) and (c) above are engaged in an entrepreneurial activity to which the relevant Securities are connected, the *imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Securities are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Securities if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Where an Italian resident Security Holder is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Securities are effectively connected and the Securities are deposited with an Intermediary, interest, premium and other income from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Security Holder's annual income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Security Holder, also to IRAP).

Under the current regime provided by Decree 351 and Article 9, par. 1, Legislative Decree No. 44 of 4 March 2014, payments of interest, premiums or other proceeds in respect of the Securities made to Real Estate Funds are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund, 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 a Fund, and the relevant Securities are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Securities will not be subject to *imposta sostitutiva*, but must be included in the management result of the Fund. The Fund will not be subject to taxation on such result, but the Collective Investment Fund Withholding Tax will apply, in certain circumstances, to subsequent distributions made in favour of unitholders or shareholders.

Where an Italian resident Security Holder 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 Securities are deposited with an authorised intermediary, interest, premium and other income relating to the Securities 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 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (88-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Pursuant to Decree 239, *imposta sostitutiva* is applied by an Intermediary.

An Intermediary must (a) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary and (b) intervene, in any way, in the collection of interest or in the transfer of the Securities.

For the purpose of the application of the *imposta sostitutiva*, a transfer of Securities includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Securities or in a change of the Intermediary with which the Securities are deposited.

Where the Securities are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Security Holder.

Non-Italian resident Security Holders

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Security Holder of interest or premium relating to Securities issued by a non-Italian resident issuer, provided that, if such Securities are held in Italy, the non-Italian resident Security Holder declares itself to be a non-Italian resident according to Italian tax regulations.

Payments made by an Italian resident guarantor

With respect to payments on the Securities made to Italian resident Security Holders by an Italian resident guarantor, in accordance with one interpretation of Italian tax law, any payment of liabilities equal to interest and other proceeds from the Securities may be subject to a provisional withholding tax at a rate of 26 per cent. pursuant to Presidential Decree No. 600 of 29 September 1973. In case of payments to non-Italian resident Security Holders, the final withholding tax may be applied at 26 per cent.

Double taxation treaties entered into by Italy may apply allowing for a lower (or, in certain cases, nil) rate of withholding tax.

In accordance with another interpretation, any such payment made by the Italian resident guarantor will be treated, in certain circumstances, as a payment by the relevant issuer and will thus be subject to the tax regime described in the previous paragraphs of this section.

Tax treatment of Securities that do not qualify as bonds

Securitized derivative financial instruments

Based on the principles stated by the Italian tax authorities (*Agenzia delle Entrate*) in the public Ruling 12 July 2010 No. 72/E, Securities that do not qualify as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*), shall be treated as securitised derivative financial instruments for tax purposes when they represent a securitized derivative or a bundle of derivative financial transactions not entailing a static "use of capital" (*impiego di capitale*), but rather an indirect investment in the underlying financial instruments for the purpose of obtaining a profit from the negotiation of such instruments.

In these circumstances, gains and proceeds from the Securities will be taxed in accordance with the modalities set out in paragraph Capital Gain Tax below.

Atypical securities

Securities that neither qualify as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) nor as securitised derivative financial instruments, should be treated as atypical securities (*titoli atipici*) for income tax purposes.

In these circumstances, interest payments relating to the Securities may be subject to a withholding tax, levied at the rate of 26 per cent.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Securities that qualify as atypical securities if such Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets

the requirements set forth in Article 1(100-114) of the Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

In the case of Securities issued by an Italian resident issuer, where the Security Holder is (a) an Italian individual engaged in an entrepreneurial activity to which the Securities are connected; (b) an Italian company or a similar Italian commercial entity; (c) a permanent establishment in Italy of a foreign entity; (d) an Italian commercial partnership; or (e) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax. In all other cases, including when the Security Holder is a non-Italian resident, the withholding tax is a final withholding tax. For non-Italian resident Security Holders, the withholding tax rate may be reduced by any applicable tax treaty.

If the Securities are issued by a non-Italian resident issuer, the withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Security Holder and to an Italian resident Security Holder 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.

Capital gains tax

Any gain obtained from the sale or redemption of the Securities would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Security Holder, 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 Securities are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Securities are connected.

Where an Italian resident Security Holder is an (i) an individual holding the Securities 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 Security Holder from the sale or redemption of the Securities would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. Security Holders may set off losses with gains.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity to which the Securities are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Securities, if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(88-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

In respect of the application of *imposta sostitutiva*, taxpayers may choose one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Security Holders 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 in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. The relevant Security Holder 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. As an alternative to the tax declaration regime, Italian resident Security Holders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Securities (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (a) the Securities 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 timely made in writing by the relevant Security Holder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities (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 Security Holder or using funds provided by the Security Holder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Securities 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 Security Holder is not required to declare the capital gains in the annual tax return.

Any capital gains realised by Italian resident Security Holders under (i) to (iii) above who have entrusted the management of their financial assets, including the Securities, 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 substitute tax at a rate of 26 per cent., 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 Security Holder is not required to declare the capital gains realised in the annual tax return. Any capital gains realised by a Security Holder who is a Real Estate Fund will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the Real Estate Fund, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the Real Estate Fund is subject to taxation in the hands of the unitholder or the shareholder regardless of distribution.

Any capital gains realised by a Security Holder which is a Fund will not be subject to *imposta sostitutiva*. Such result will not be taxed with the Fund, but subsequent distributions in favour of unitholders or shareholders may be subject to the Collective Investment Fund Withholding Tax.

Any capital gains realised by a Security Holder 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 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (88-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Capital gains realised by non-Italian resident Security Holders, not having a permanent establishment in Italy to which the Securities are connected, from the sale or redemption of Securities issued by an Italian resident issuer and traded on regulated markets are neither subject to the *imposta sostitutiva* nor to any other Italian income tax.

Capital gains realised by non-Italian resident Security Holders from the sale or redemption of Securities issued by an Italian resident issuer not traded on regulated markets are not subject to the *imposta sostitutiva*, provided that the effective beneficiary: (a) is resident in a country which allows for a satisfactory exchange of information with Italy, as listed in the White List; or (b) is an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (c) is a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or (d) is an institutional investor which is established in a country included in the White List even if it does not possess the status of taxpayer therein.

If none of the conditions above is met, capital gains realised by non-Italian resident Security Holders from the sale or redemption of Securities issued by an Italian resident issuer not traded on regulated markets are subject to the *imposta sostitutiva* at the current rate of 26 per cent.

In any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Securities issued by an Italian resident issuer are connected that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Securities are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon the sale or redemption of Securities issued by an Italian resident issuer.

Capital gains realised by non-Italian resident Security Holders from the sale or redemption of Securities issued by a non-Italian resident issuer are not subject to Italian taxation, provided that the Securities are held outside Italy.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, notes or other securities) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €1,000,000;
- (ii) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding, for each beneficiary, €100,000; and
- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned above in (i), (ii) and (iii) on the value exceeding, for each beneficiary, €1,500,000.

Transfer tax

Following the repeal of the Italian transfer tax, contracts relating to the transfer of securities are subject to the following registration tax: (i) public deeds and notarised deeds are subject to fixed registration tax at a rate of €200.00; (ii) private deeds are subject to registration tax only in the case of voluntary registration.

Stamp duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree 201**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the Securities deposited in Italy. The stamp duty applies at a rate of 0.20 per cent.; and cannot exceed €14,000 for taxpayers other than individuals; this stamp duty is determined on the basis of the market value or, if no market value figure is available, the nominal value or redemption amount or in the case the nominal or redemption values cannot be determined, on the purchase value of the Securities held. Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Securities outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent ("**IVAFE**").

This tax is calculated on the market value of the Securities at the end of the relevant year or, if no market value figure is available, the nominal value or the redemption value or in the case the nominal or redemption values cannot be determined, on the purchase value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

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) may 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 treaty rate). **This tax liability may 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 2021 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. In case of Securities which allow for a deduction of fees, the withholding tax in accordance with section 871(m) of the IRC applied to dividend payments made in relation to the underlying or its components, reduces the reference price and, therefore, the redemption amount paid under the Securities. 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 EU Prospectus Legislation

In relation to each member state of the European Economic Area (each a "**Member State**"), the Securities may not be offered to the public in that relevant Member State (the "**Relevant Member State**"), except that an offer of the 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 in the Relevant Member State in accordance with the EU Prospectus Legislation (as defined below) and the conditions of the offer applicable to the offer of the Securities set out in the Base Prospectus or in the relevant Final Terms, as the case may be, in the period beginning and ending on the dates specified in such Final Terms, provided that the Issuer has consented in writing to the use of the Base Prospectus for the purpose of such offer;
- (b) at any time if it is addressed solely to qualified investors as defined in the EU Prospectus Legislation (the "**Qualified Investors**");
- (c) at any time if it is addressed to fewer than 150 natural or legal persons (other than Qualified Investors) per Member State, subject to obtaining the prior consent of the Issuer or the relevant person or entity placing or offering the Securities nominated by the Issuer for any such offer; and/or
- (d) at any time in any other circumstances falling within a Prospectus Exemption (as defined below),

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the EU Prospectus Legislation or supplement the Base Prospectus at least one banking day prior to the respective offer.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

The expression "**EU Prospectus Legislation**" means the Directive 2003/71/EC (and any amendments thereto, including the Directive 2010/73/EU) (the "**Prospectus Directive**"), and includes any relevant implementing measure in the Relevant Member State.

On 20 July 2017 the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") has entered into force and shall in its major parts apply as from 21 July 2019 (the "**Effective Date**"). Therefore, as from the Effective Date, any reference in this paragraph to the Prospectus Directive shall be read as a reference to the Prospectus Regulation, as applicable from time to time.

The expression "**Prospectus Exemptions**" means Article 3 (2) (a) to (d) of the Prospectus Directive or Article 1 (4) of the Prospectus Regulation, as applicable, and includes any additional exemptions and implementation measures applicable in the Relevant Member State.

AUTHORISATION

The establishment of the Issuance Programme of UniCredit S.p.A. and the issue of Securities under that Programme were duly authorised by the Board of Directors of UniCredit dated 13 December 2018 and by the Board of Directors of UniCredit dated 10 January 2019.

AVAILABILITY OF DOCUMENTS

Copies of the following documents will be available during usual business hours on any weekday (except Saturdays and public holidays) at the offices of the Issuer:

- (1) Articles of Association of the Issuer,
- (2) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2018 and 31 December 2017,
- (3) the press releases of UniCredit,
- (4) the forms of the Global Notes of the Issuer,
- (5) the Final Terms of the Issuer, and
- (6) the Agency Agreement of the Issuer, as amended and restated.

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 office of UniCredit S.p.A. (Piazza Gae Aulenti 3 - Tower A - 20154 Milan, 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 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**"), Monte Titoli S.p.A. (Piazza degli Affari no. 6, Milan, Italy) ("**Monte Titoli**") 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 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 or UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy.

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 are UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany or UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy.

The relevant Luxembourg Listing Agent under the Programme is BNP Paribas Securities Services, Luxembourg Branch, 33, Rue de Gasperich, L-5826 Hesperange, Luxembourg.

The 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 ISSUER AND TREND INFORMATION

The performance of UniCredit will depend on the future development on the financial markets and the real economy in 2019 as well as other remaining imponderables. In this environment, UniCredit 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.

There has been no significant change in the financial or trading position of UniCredit and the UniCredit Group since 31 December 2018.

There has been no material adverse change in the prospects of UniCredit and the UniCredit Group since 31 December 2018, the date of its last published audited financial statements.

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 Issuer 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 Issuer, or their affiliates in the ordinary course of business.

- Besides, conflicts of interest in relation to the Issuer or the persons entrusted with the offer may arise for the following reasons which may result in a decision to the Security Holder's disadvantage, as specified in the Final Terms: UniCredit S.p.A., UniCredit Bank AG and/or the Distributor may have a conflict of interest with regard to the Securities as/if they belong to UniCredit Group.
- UniCredit S.p.A. or UniCredit Bank AG may be the Distributor of the Securities.
- UniCredit S.p.A., UniCredit Bank AG or the Distributor may be the Calculation Agent of the Securities.
- UniCredit S.p.A., UniCredit Bank AG or the Distributor may also be the (Principal) Paying Agent of the Securities.
- UniCredit S.p.A., UniCredit Bank AG or the Distributor may also be the arranger of the Securities.
- UniCredit S.p.A., UniCredit Bank AG and/or the Distributor may have a conflict of interest with regard to the Securities if they act or UniCredit Bank AG acts as systematic internalizer in the execution of customer orders.
- UniCredit S.p.A. or UniCredit Bank AG may act as index sponsor, index calculation agent, index advisor and index committee with respect to the Underlying or Basket Components of the Securities.
- With regard to trading of the Securities UniCredit S.p.A., UniCredit Bank AG, a swap counterparty or the Distributor may have a conflict of interest being also the Market Maker on any regulated or equivalent or other market(s) or trading venue(s) where the Securities are listed or admitted to trading.
- Any relevant regulated or equivalent or other market(s) or trading venue(s) where the Securities are listed or admitted to trading may be organised and managed by the UniCredit S.p.A., UniCredit Bank AG or the Distributor or a company in which UniCredit S.p.A. – the holding company of UniCredit Bank AG – has a stake in or is related to.
- EuroTLX SIM S.p.A. or any relevant regulated or equivalent or other market(s) or trading venue(s) is a related party to UniCredit S.p.A., UniCredit Bank AG. The term related party, in relation to an entity, means any other entity which, directly or indirectly, controls that entity, or is controlled, directly or indirectly, by that entity, or where the entity and the other entity, directly or indirectly, are under the control of a common entity.
- UniCredit S.p.A., UniCredit Bank AG or one of their affiliates may act as an investment advisor or manager of a fund used as Underlying or Basket Components.

- The relevant Distributor may receive from the Issuer an implied placement commission comprised in the Issue Price, while the Issuer or another person may receive an implied structuring commission and/or other commissions or charges.

THIRD PARTY INFORMATION

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

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 or covered elsewhere in the Base Prospectus.

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018, approved by the <i>Commission de Surveillance du Secteur Financier</i>		
Risk Factors		
Risk Factors (Factors that may affect the relevant Issuer's ability to fulfil its obligations under notes issued under the Programme – Factors that may affect the Guarantor's ability to fulfil its obligations under the guarantee)		p. 52
- Risks connected with the Strategic Plan	p. 51 to 52	p. 52
- Risks associated with the impact of the current macroeconomic uncertainties and the volatility of the markets on the UniCredit Group's performance	p. 52 to 53	p. 52
- Risks associated with the impact of current macroeconomic uncertainties	p. 52 to 53	p. 52
- Risks connected with the volatility of markets	p. 53 to 54	p. 52
- Risks connected with the UniCredit Group's activities in different geographical areas	p. 54 to 55	p. 52
- Credit risk and risk of credit quality deterioration	p. 55 to 57	p. 52
- Guidelines for estimating the PD and the LGD and for dealing with exposures at default	p.57	p. 52
- Risk associated with disposal on non-performing loans	p.57 to 58	p. 52
- Risks associated with UniCredit's participation in the Atlante Fund and the Italian Recovery Fund (former Atlante II Fund)	p. 58 to 59	p. 52

-	Liquidity Risk	p. 60 to 61	p. 52
-	Risks associated with system liquidity support	p. 60 to 62	p. 52
-	Risks related to intra-group exposure	p. 62 to 63	p. 52
-	Market risks	p. 63 to 64	p. 52
-	Risks connected with interest rate fluctuations	p. 64 to 65	p. 52
-	Risks connected with exchange rates	p. 65	p. 52
-	Risks associated with borrowings and evaluation methods of the assets and liabilities of the relevant Issuer and/or the Guarantor	p. 65 to 66	p. 52
-	Risks relating to IT system management	p. 66 to 68	p. 52
-	Risks relating to deferred taxes	p. 68 to 70	p. 52
-	Risks connected with interests in the capital of Bank of Italy	p. 70	p. 52
-	Counterparty risk in derivative and repo operations	p. 70 to 71	p. 52
-	Risks connected with exercising the Goodwill Impairment Test and losses in value relating to goodwill	p. 71	p. 52
-	Risks connected with existing alliances and joint ventures	p. 71 to 72	p. 52
-	Risks connected with the performance of the property market	p. 72 to 73	p. 52
-	Risks connected with pensions	p. 73	p. 52
-	Risks connected with risk monitoring methods and the validation of such methods	p. 73 to 74	p. 52
-	Risks connected with non-banking activities	p. 74 to 75	p. 52
-	Risks connected with the organisational and management model pursuant to Legislative Decree 231/2001 and the accounting administrative model pursuant to Law 262/2005	p. 82	p. 52
-	Risks connected with operations in the banking and financial sector	p. 82 to 83	p. 52
-	Risks connected with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules	p. 83	p. 52
-	Deposit Guarantee Scheme and Single Resolution Fund	p. 83 to 85	p. 52
-	Voluntary Scheme	p. 85 to 86	p. 52
-	Other charges for systemic risk	p. 86 to 87	p. 52
-	Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles	p. 87 to 89	p. 52
-	Forthcoming regulatory changes	p. 94 to 96	p. 52
-	ECB Single Supervisory Mechanism	p. 96 to 97	p. 52

-	The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investments 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 the Notes and/or the rights of Noteholders.	p. 97 to 99	p. 52
-	Implementation of the BRRD in Italy	p. 100 to 101	p. 52
-	As of 2016 the UniCredit Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism	p. 101 to 102	p. 52
-	The European proposed financial transactions tax (FTT)	p. 102	p. 52
-	Ratings	p. 102 to 103	p. 52
Description of UniCredit and the UniCredit Group			
-	Description of UniCredit and the UniCredit Group (incl. place of registration / registration number of the Issuer / date of incorporation / legal form of the Issuer / legislation under which the Issuer operates / country of Issuer's incorporation / address and telephone number of its registered office)	p. 290	p. 103
-	History	p. 290 to 291	p. 103
-	The Current Organisational Structure	p. 291 to 293	p. 103
-	Strategy of the Group (incl. any significant new products and/or activities)	p. 294	p. 103
-	Business areas (incl. the Issuer's principal activities and markets in which the Issuer operates)	p. 294 to 297	p. 103
-	Material Contracts	p. 318	p. 103
-	External Auditors	p. 330	p. 103
General Information			
-	Litigation	p. 375	p. 103
-	External Auditors	p. 375 to 376	p. 103
First Supplement dated 23 November 2018 to the 60,000,000,000 Euro Medium Term note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018			
Risk Factors			
-	Risks associated with the impact of current macroeconomic uncertainties	p. 7	p. 52
-	Credit risk and risk of credit quality deterioration	p. 7	p. 52
-	Deposit Guarantee Scheme and Single Resolution Fund	p. 7	p. 52
-	Forthcoming regulatory changes	p. 8	p. 52

-	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 the Notes and/or the rights of Noteholders – <i>replacement of the seventh paragraph</i>	p. 8	p. 52
-	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 the Notes and/or the rights of Noteholders – <i>insertion at the end of the fourteenth paragraph</i>	p. 8	p. 52
-	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 the Notes and/or the rights of Noteholders – <i>insertion at the end of the fourteenth paragraph</i>	p. 8	p. 52
-	Implementation of the BRRD in Italy	p. 8	p. 52
-	Ratings	p.9	p. 52
Description of UniCredit and the UniCredit Group			
-	Financial Sanctions matters	p. 13 to 14	p. 103
-	Recent Developments	p. 14	p. 103
-	General Information, Trend Information	p. 15	p. 103
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2018			
-	Consolidated Balance Sheet	p. 89 to 90	p. 103
-	Consolidated Income Statement	p. 91 to 92	p. 103
-	Consolidated Statement of Comprehensive Income	p. 93	p. 103
-	Statement of Changes in Shareholders' Equity	p. 94 to 97	p. 103
-	Consolidated Cash Flow Statement	p. 98 to 99	p. 103
-	Notes to the Consolidated Accounts	p. 101 to 436	p. 103
-	Annexes	p. 437 to 487	p. 103
-	Certification	p. 489	p. 103
-	Report of External Auditors	p. 491 et seq.	p. 103

Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2017		
- Consolidated Balance Sheet	p. 82 to 83	p. 103
- Consolidated Income Statement	p. 84	p. 103
- Consolidated Statement of Comprehensive Income	p. 85	p. 103
- Statement of Changes in Shareholders' Equity	p. 86 to 89	p. 103
- Consolidated Cash Flow Statement	p. 90 to 91	p. 103
- Notes to the Consolidated Accounts	p. 93 to 470	p. 103
- Annexes	p. 473 to 534	p. 103
- Certification	p. 537 to 539	p. 103
- Report of External Auditors	p. 541 et seq.	p. 103
Press Release "UniCredit: Fitch affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italy's sovereign" dated 5 September 2018		
	Entire document.	p. 103
Press Release "UniCredit: Moody's affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italian sovereign" dated 23 October 2018		
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The documents listed in the table above can be found on the following websites:

60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018:

<https://www.unicreditgroup.eu/en/investors/funding-and-ratings/debt-issuance-programs.html>

First Supplement dated 23 November 2018 to the 60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018

<https://www.unicreditgroup.eu/en/investors/funding-and-ratings/debt-issuance-programs.html>

Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2018:

<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 2017:

<https://www.unicreditgroup.eu/en/investors/financial-reports.html>

Press Release "UniCredit: Fitch affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italy's sovereign" dated 5 September 2018

<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

Press Release "UniCredit: Moody's affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italian sovereign" dated 23 October 2018

<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

Press Release "UniCredit: Standard & Poor's affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italian sovereign" dated 31 October 2018

<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

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<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

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<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

Press Release "Press Release" dated 8 February 2019:

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<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

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Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) under the Euro 1,000,000,000 Issuance Programme of UniCredit S.p.A. dated 1 March 2018

<https://www.onemarkets.de/de/rechtliches/basisprospekte.html#basisprospekte-weitere-emittenten-unicredit-spa>

Base Prospectus for the issuance of Single Underlying and Multi Underlying Securities (with partial capital protection) under the Euro 1,000,000,000 Issuance Programme of UniCredit S.p.A. dated 7 December 2018

<https://www.onemarkets.de/de/rechtliches/basisprospekte.html#basisprospekte-weitere-emittenten-unicredit-spa>

Articles of Association of UniCredit dated 4 April 2019

<https://www.unicreditgroup.eu/en/governance/governance-system-and-policies.html>

Copies of any or all of the documents which are incorporated herein by reference will be available, free of charge, at the office of UniCredit S.p.A. (Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy).

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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