

## **Final Terms**

dated 29 March 2021

UniCredit Bank AG

Legal Entity Identifier (LEI): 2ZCNRR8UK830BTEK2170

Admission to trading of

Telescope TV ER Note 03/2021 on Amundi Ethik Fund

(the "**Securities**")

under the

Base Prospectus for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) I

dated 8 March 2021

under the

**Euro 50,000,000,000**

**Debt Issuance Programme of**

**UniCredit Bank AG**

*These final terms (the "**Final Terms**") have been prepared for the purposes of Regulation (EU) 2017/1129, in the version valid at the date of the Base Prospectus, (the "**Prospectus Regulation**" and "**PR**"). The Final Terms must be read in conjunction with the Base Prospectus of UniCredit Bank AG (the "**Issuer**") for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) I dated 8 March 2021 (the "**Base Prospectus**") and in any supplements thereto pursuant to Article 23 of the PR (the "**Supplements**") in order to obtain all the relevant information.*

*The Base Prospectus, the documents incorporated by reference into the Base Prospectus, any Supplements and these Final Terms are published in accordance with Article 21 of the PR on [www.onemarkets.de](http://www.onemarkets.de) (for investors in Luxembourg) (along with the respective product details which will be available if the WKN or the ISIN is typed in the search function).*

***The validity of the above mentioned Base Prospectus dated 8 March 2021, under which the Securities described in these Final Terms are issued, ends on 8 March 2022. From this point in time, these Final Terms are to be read together with the latest Base Prospectus for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) I of UniCredit Bank AG (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 the Base Prospectus dated 8 March 2021. The latest Base Prospectus for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) I of UniCredit Bank AG will be published on [www.onemarkets.de/basisprospekte](http://www.onemarkets.de/basisprospekte) (for investors in Luxembourg).***

## SECTION A – GENERAL INFORMATION

### **Product Type:**

Telescope Securities linked to Target Vol Strategies (Product Type 12)

### **Offer and Sale of the Securities:**

#### ***Information on the offer:***

Not applicable. The Securities will be admitted to a regulated market.

#### ***Issue Date of the Securities:***

*Issue Date:* 29 March 2021

#### ***Issue Volume of the Securities:***

The Issue Volume of the Series offered under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

The Issue Volume of the Tranche offered under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

#### ***Potential investors, offering countries:***

The Securities will be offered to qualified investors and/or institutional investors.

#### ***Delivery:***

Delivery against payment

#### ***Other information regarding the offer and sale of the Securities:***

The smallest transferable amount is EUR 100,000.00.

The smallest tradable amount is EUR 100,000.00.

### **Issue Price of the Securities, costs:**

#### ***Issue Price of the Securities, pricing:***

*Issue Price:* 100 %

#### ***Selling concession:***

Not applicable

#### ***Other commissions, costs and expenses:***

The product specific initial costs contained in the issue price amount to 2.21%.

### **Admission to trading and listing:**

#### ***Admission to trading:***

Application will be made for the Securities to be admitted to trading on the following regulated markets: regulated market of the Luxembourg Stock Exchange.

The first trading day is expected to be 12 April 2021.

#### ***Admission to multilateral trading facilities:***

In addition, application to listing will be made with effect from 12 April 2021 on the following multilateral trading facilities (MTF):

- Freiverkehr (open market) of the Frankfurter Wertpapierbörse (Börse Frankfurt Zertifikate

Standard).

**Estimated total expenses related to the admission to trading and net amount of the issue/offer:**

The estimated total expenses related to the admission to trading are EUR 4,100.

**Consent to the use of the Base Prospectus:**

The Issuer consents to the use of the Base Prospectus, any Supplements and the relevant Final Terms for the subsequent resale or final placement of Securities by all financial intermediaries (so-called general consent).

**Offer Period:**

The consent is given during the period of the validity of the Base Prospectus.

**Offering countries:**

The consent is given in relation to Luxembourg.

**Conditions of the consent:**

The Issuer's consent to the use of the Base Prospectus, any Supplements and the relevant Final Terms is subject to the following conditions:

- (i) Each financial intermediary using the Base Prospectus must ensure that it observes all applicable laws and complies with the Selling Restrictions and the Terms and Conditions.
- (ii) The consent to the use of the Base Prospectus has not been revoked by the Issuer.

In addition, the Issuer's consent to the use of the Base Prospectus, any Supplements and the relevant Final Terms is given under the condition that the financial intermediary using the Base Prospectus, any Supplements and the relevant Final Terms 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 Base 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, any Supplements and the relevant Final Terms is subject to the condition that the financial intermediary using the Base Prospectus, any Supplements and the relevant Final Terms 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 Base Prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.

**Interest of Natural and Legal Persons involved in the Issue/Offer:**

The Issuer is also the Calculation Agent and the Paying Agent of the Securities.

**Additional information:**

Not applicable

## SECTION B – CONDITIONS

### Part A - General Conditions of the Securities

#### **PART A - GENERAL CONDITIONS OF THE SECURITIES**

(the "**General Conditions**")

##### **§ 1**

#### **Form, Clearing System, Global Note, Custody**

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as notes 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.
- (2) *Global Note:* The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer. 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.
- (3) *Custody:* The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn ("**CBF**").

##### **§ 2**

#### **Principal Paying Agent, Paying Agent, Calculation Agent**

- (1) *Paying Agents:* The "**Principal Paying Agent**" is UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany. 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.
- (3) *Transfer of functions:* Should any event occur which results in the Principal Paying Agent or Calculation Agent being unable to continue in its function as Principal Paying Agent or Calculation Agent, the Issuer is obliged to appoint another bank of international standing as Principal 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 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 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 and the Paying Agents shall be exempt from the restrictions of § 181 German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**").

**§ 3**  
**Taxes**

*No gross up:* Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes, to the extent that such deduction or withholding is required by law. In this regard the term "**Taxes**" includes taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, including a withholding tax pursuant to Section 871(m) of the United States Internal Revenue Code of 1986 ("**871(m) Withholding Tax**").

The Issuer shall in any case be entitled to take into consideration the 871(m) Withholding Tax by applying the maximum tax rate as a flat rate (plus value added tax, if applicable). In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

**§ 4**  
**Status**

The obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* with all other unsecured unsubordinated present and future obligations of the Issuer.

**§ 5**  
**Substitution of the Issuer**

- (1) The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that
  - (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
  - (b) 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, which is notified by the Issuer in accordance with the above paragraph).

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

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

## **§ 7 Issuance of additional Securities, Repurchase**

- (1) *Issuance of additional Securities*: The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical terms and conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "Securities" shall, in the event of such increase, also comprise all additionally issued Securities.

- (2) *Repurchase*: The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

## § 8

### Presentation Period

The presentation period provided in § 801 paragraph 1 sentence 1 BGB is reduced to ten years for the Securities.

## § 9

### Partial Invalidity, Corrections

- (1) *Invalidity*: Should any provision of these Terms and Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Terms and Conditions is to be filled with a provision that corresponds to the meaning and intent of these Terms and Conditions and is in the interest of the parties.
- (2) *Typing and calculation errors*: Obvious typing and calculation errors or similar obvious errors in these Terms and Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6 of the General Conditions. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.
- (3) *Offer to continue*: The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 6 of the General Conditions. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 6 of the General Conditions demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.

- (4) *Acquisition Price:* As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one. If a market disruption pursuant to § 7 of the Special Conditions exists on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, the last Banking Day preceding the rescission pursuant to paragraph (2) above on which no market disruption existed shall be decisive for the determination of the Acquisition Price in accordance with the preceding sentence.
- (5) *Incomplete or inconsistent provisions:* The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Terms and Conditions in its reasonable discretion (§ 315 et seq. BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 6 of the General Conditions.
- (6) *Adherence to corrected Terms and Conditions:* If the Security Holder was aware of typing or calculation errors or similar errors in these Terms and Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Terms and Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

## **§ 10**

### **Applicable Law, Place of Performance, Place of Jurisdiction**

- (1) *Applicable law:* The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.
- (2) *Place of performance:* Place of performance is Munich.
- (3) *Place of jurisdiction:* To the extent permitted by law, all legal disputes arising from or in connection with the matters governed by these Terms and Conditions shall be brought before the court in Munich.



## **PART B – PRODUCT AND UNDERLYING DATA**

(the "Product and Underlying Data")

### **§ 1**

#### **Product Data**

**Calculation Currency:** Euro ("EUR")

**Designated Maturity for the Reference Rate:** 3 months

**Fee<sub>Strat</sub>:** 0.00 %

**Fee<sub>UL</sub>:** 0.00 %

**First Trade Date:** 22 March 2021

**Issue Date:** 29 March 2021

**Length of the Volatility Observation Period:** 20 Calculation Dates

**Maximum Weight:** 125 %

**Minimum Weight:** 0.00 %

**Nominal Amount:** EUR 100,000.00

**Offset of the Volatility Observation Period:** Two Calculation Dates

**Principal Paying Agent:** UniCredit Bank AG

**Screen Page for the Reference Rate:** Bloomberg page EUR003M Index

**Specified Currency:** EUR ("EUR")

**Start Level of the Strategy:** 100.00 %

**Target Volatility:** 5.00 %

**Website for Notices:** [www.onemarkets.de/wertpapier-mitteilungen](http://www.onemarkets.de/wertpapier-mitteilungen)

**Website of the Issuer:** [www.onemarkets.de](http://www.onemarkets.de)

**Table 1.1:**

ISIN	WKN	Reuters	Series Number	Tranche Number	Issue Volume of the Series	Issue Volume of the Tranche	Issue Price
DE000HVB5AZ9	HVB5AZ	DEHVB5AZ=HVBG	P2057254	1	EUR 8,000,000.00	EUR 8,000,000.00	100.00 %

**Table 1.2:**

Underlying	Reference Price	Strike Level	Participation Factor	Minimum Amount
Amundi Ethik Fund - VI	NAV	100.00 %	37.50 %	EUR 100,000.00

**Table 1.3:**

Initial Observation Date	Final Payment Date
24 March 2021	31 March 2031

**Table 1.4:**

k	D (k)	Observation Date (k)	Additional Amount Payment Date (k)	Minimum Additional Amount (k)
1	1	24 March 2022	31 March 2022	EUR 00.00
2	2	24 March 2023	31 March 2023	EUR 00.00
3	3	25 March 2024	2 April 2024	EUR 00.00
4	4	24 March 2025	31 March 2025	EUR 00.00
5	5	24 March 2026	31 March 2026	EUR 00.00
6	6	24 March 2027	31 March 2027	EUR 00.00
7	7	24 March 2028	31 March 2028	EUR 00.00

8	8	26 March 2029	3 April 2029	EUR 00.00
9	9	25 March 2030	1 April 2030	EUR 00.00
10	10	24 March 2031	31 March 2031	EUR 00.00

**§ 2**  
**Underlying Data**

**Table 2.1:**

<b>Underlying</b>	<b>Underlying Currency</b>	<b>WKN</b>	<b>ISIN</b>	<b>Bloomberg</b>
Amundi Ethik Fund - VI	EUR	A0J4UP	AT0000646765	FKRCHVT AV Equity

**Table 2.2:**

<b>Underlying</b>	<b>Custodian Bank</b>	<b>Management Company</b>	<b>Auditor</b>	<b>Website</b>
Amundi Ethik Fund - VI	UniCredit Bank Austria AG	Amundi Austria GmbH	Deloitte Audit Wirtschaftsprüfungs GmbH, Wien	www.amundi.at

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")

#### § 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) attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

**"Adjustment Event"** means each of the following events:

- (a) changes are made with respect to the Fund without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) requests for the issue, redemption or transfer of Fund Shares are executed only partially or not at all;
- (c) fees, premiums, discounts, charges, commissions, taxes or similar fees are levied for the issue or redemption of Fund Shares; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (d) the Fund or the Management Company or the Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or of the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or of the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund or of the Management Company by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar

- reasons; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (h) a breach by the Fund or the Management Company of the investment objectives, the investment strategy or the investment restrictions of the Fund that is material, or a breach of statutory or regulatory requirements by the Fund or the Management Company; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
  - (i) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) which requires the Issuer, in relation to the subscription, redemption or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
  - (j) a change in laws or regulations or in their implementation or interpretation (whether formally or informally) as a result of which compliance by the Issuer with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities would become unlawful or impracticable or would entail substantially higher costs; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
  - (k) an increase in the proportion of the volume held by the Issuer alone or together with a third party with which the Issuer enters into a hedging transaction with respect to the Securities beyond 20 % of the Fund Shares outstanding;
  - (l) the Issuer is required to consolidate the Fund as a result of accounting or other regulations;
  - (m) the sale or redemption of the Fund Shares for reasons beyond the control of the Issuer and not relating to the Securities, provided that this is not solely for the purpose of entering into or unwinding hedging transactions;
  - (n) an event or circumstance that has or could have the following effects: (i) the suspension of the issuance of additional Fund Shares or of the redemption of existing Fund Shares or (ii) the reduction of the number of Fund Shares of a shareholder in the Fund for reasons outside the control of that shareholder or (iii) the subdivision, consolidation or reclassification of the Fund Shares or (iv) payments in respect of a redemption of Fund Shares being made partly or wholly by means of a distribution in kind instead of for cash or (v) the creation of side pockets for segregated assets; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
  - (o) the Management Company or a Fund Services Provider discontinues its services for the Fund or loses its accreditation, registration, approval or authorisation and is not immediately replaced by another services provider which is of similarly good standing;

whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);

- (p) (i) an order or valid resolution for a winding-up, dissolution, termination, liquidation or an event with similar effects in relation to the Fund or the Fund Shares, (ii) the initiation of composition, bankruptcy or insolvency proceedings, a demerger or spin-off, a reclassification or consolidation, such as a change in the share class of the Fund or the merger of the Fund into or with another fund, (iii) a requirement to transfer all the Fund Shares to a trustee, liquidator, insolvency administrator or similar office-holder or (iv) the legal prohibition of transfers of the Fund Shares by the shareholders;
- (q) the initiation of composition, bankruptcy, insolvency, dissolution or comparable proceedings with respect to the Fund or the Management Company;
- (r) the Issuer loses the right to use the Fund as the Underlying for the Securities;
- (s) a change in the tax laws and regulations or a change in case law or the administrative practice of the tax authorities which has negative consequences for the Issuer or a Security Holder; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (t) no notification is given of the basis of taxation for the Fund in accordance with the applicable provisions of the German Investment Tax Act (Investmentsteuergesetz, "InvStG") or the Fund or the Management Company has announced that no notification of the basis of taxation will be given in accordance with the applicable provisions of the InvStG in the future;
- (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (v) the Fund or the Management Company or a company affiliated to it breaches the agreement entered into with the Issuer in relation to the Fund in a significant respect or terminates that agreement; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (w) the Fund or the Management Company, contrary to normal practice to date, fails to provide the Calculation Agent with information that the latter reasonably considers necessary to enable it to monitor compliance with the Fund's investment guidelines or restrictions in a timely manner; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (x) the Fund or the Management Company fails to provide the Calculation Agent with the audited statement of accounts and, where relevant, the half-yearly report as soon as possible after receiving a corresponding request; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (y) any other event that could have a noticeable adverse effect on the NAV of the Fund or the ability of the Issuer to hedge its obligations under the Securities on more than a

temporary basis; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);

- (z) the NAV is no longer published in the Underlying Currency;
- (aa) if the Issuer does not receive any of the following information: (i) upon request a report on at least an annual basis to enable an assessment of the assets and liabilities, income and operations over the reporting period or (ii) 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 Banking Day;
- (bb) a Hedging Disruption or Increased Cost of Hedging occurs;
- (cc) a Market Disruption Event exists or Market Disruption Events exist for more than 30 consecutive Banking Days.

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 in relation to the Fund, a person, company or institution appointed for the purpose of providing administrative services to the Fund.

**"Auditor"** means the Auditor as specified in § 2 of the Product and Underlying Data. 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.

**"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") are open for business.

**"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 is scheduled to be published by the Fund or the Management Company.

**"Calculation Date for Reference Rate"** means each day on which the Reference Rate is scheduled to be published on the Screen Page for the Reference Rate.

**"Change in Law"** means that due to

- (a) the coming into effect of changes in laws or regulations (including but not limited to tax laws or capital market provisions) or
- (b) a change in relevant case law or administrative practice (including the administrative practice of the tax or financial supervisory authorities),

if such changes become effective on or after the First Trade Date, 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.

The Issuer determines in its reasonable discretion (§ 315 et seq. BGB) whether this is the case.

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades with respect to the Underlying as determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

**"Clearance System Business Day"** means, with respect to the Clearance System, any day (other than a Saturday or Sunday) on which such Clearance System is open for the acceptance and execution of settlement instructions.

**"Clearing System"** means Clearstream Banking AG, Frankfurt am Main ("**CBF**").

**"Conversion Event"** means Fund Conversion Event or Reference Rate Conversion Event.

**"Custodian Bank"** means the Custodian Bank as specified in § 2 of the Product and Underlying Data. 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.

**"D (k)"** means the denominator attributed to the respective Observation Date (k) as specified in § 1 of the Product and Underlying Data.

**"Days<sub>i-1,i</sub>"** means in relation to a Strategy Calculation Date<sub>i</sub> the number of calendar days from and including the Strategy Calculation Date<sub>i-1</sub> to but excluding the Strategy Calculation Date<sub>i</sub>.

**"Designated Maturity for the Reference Rate"** means the Designated Maturity for the Reference Rate as specified in § 1 of the Product and Underlying Data.

**"DW<sub>i</sub>"** means the Dynamic Weight in relation to the Strategy Calculation Date<sub>i</sub>.

**"DW<sub>i-1</sub>"** means in relation to the Strategy Calculation Date<sub>i</sub> the Dynamic Weight for Strategy Calculation Date<sub>i-1</sub>.

**"Dynamic Weight"** means the Dynamic Weight as calculated or specified pursuant to § 2 (4) of the Special Conditions.

**"Fee<sub>Strat</sub>"** means the Fee<sub>Strat</sub> as specified in § 1 of the Product and Underlying Data.

**"Fee<sub>UL</sub>"** means the Fee<sub>UL</sub> 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.

**"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 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 in its reasonable discretion (§ 315 et seq. BGB);
- (b) a Change in Law and/or a Hedging Disruption occurs;
- (c) 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 its reasonable discretion (§ 315 et seq. BGB) ("**Fund Replacement Event**").

**"Fund Documents"** means in relation to a Fund, the annual report and the half-yearly report, the prospectus (including the management regulations, terms and conditions), the key investor information and all other documents of the Fund which specify the terms and conditions of the Fund and the Fund Shares, in each case in the respective valid version.

**"Fund Management"** means the persons responsible for the portfolio and/or the risk management of the Fund.

**"Fund Services Provider"** means, if available, the Administrator, the Investment Adviser, the Custodian Bank, the Management Company, the Portfolio Manager and the Auditor.

**"Fund Share"** means a unit or share of the Fund and of the class set out in the "Underlying" column in § 1 of the Product and Underlying Data.

**"Hedging Disruption"** means that the Issuer is not able 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 Calculation Agent in its reasonable discretion (§ 315 et seq. BGB); 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.

**"Investment Adviser"** means in relation to the Fund, a person, company or institution appointed 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.

**"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<sub>i-VOPO-VOPL+j</sub>**" means in relation to a VOP Calculation Date<sub>i-VOPO-VOPL+j</sub> the log return calculated according to the following formula:

$$\text{Ln} ( R (t_{i-VOPO-VOPL+j}) / R (t_{i-VOPO-VOPL+j-1}) ).$$

"**Management Company**" means the Management Company as specified in § 2 of the Product and Underlying Data. 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.

"**Market Disruption Event**" means each of the following events:

- (a) the failure to calculate or the non-publication of the calculation of the NAV as a result of a decision by the Management Company or by the Fund Services Provider on behalf of the Management Company, or
- (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 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 return for payment in kind instead of payment in cash, or
- (e) comparable events which affect the ability of the Issuer to hedge its obligations under the Securities, or
- (f) in general the suspension or restriction of trading on exchanges, futures exchanges or markets on which financial instruments or currencies which constitute a significant factor affecting the value of the Fund are listed or traded,

to the extent that that event is material; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

"**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 (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 as specified in § 1 of the Product and Underlying Data. If the Initial Observation Date is not a Calculation Date, the immediately following Calculation Date shall be the 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. Interest shall not be payable due to 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. Interest shall not be payable due to 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"** means the Participation Factor 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, in relation to a Fund, 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.

**"R (t<sub>i</sub>)"** means the Reference Price on Strategy Calculation Date<sub>i</sub>.

**"R (t<sub>i-1</sub>)"** means in relation to a Strategy Calculation Date<sub>i</sub> the Reference Price for Strategy Calculation Date<sub>i-1</sub>.

**"R (t<sub>i-VOPO-VOPL+j</sub>)"** means the Reference Price on VOP Calculation Date<sub>i-VOPO-VOPL+j</sub>.

**"R (t<sub>i-VOPO-VOPL+j-1</sub>)"** means in relation to a VOP Calculation Date<sub>i-VOPO-VOPL+j</sub> the Reference Price on the Calculation Date immediately preceding VOP Calculation Date<sub>i-VOPO-VOPL+j</sub>.

**"Rate<sub>i-1</sub>"** means in relation to a Strategy Calculation Date<sub>i</sub> the Reference Rate determined on the Reference Rate Reset Date that is associated with the Strategy Calculation Date<sub>i-1</sub>.

**"Redemption Amount"** means the Redemption Amount as calculated or specified by the Calculation Agent pursuant to § 4 (1) of the Special Conditions.

**"Reference Price"** means the Reference Price as specified in § 1 of the Product and Underlying Data.

**"Reference Rate"** means 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 Reference Rate displayed on the Screen Page for the Reference Rate around 11 a.m. Brussels time on the relevant Reference Rate Reset Date. If either the Screen Page for the Reference Rate is not available or no such offered rate is displayed at the time specified, then the Calculation Agent shall either determine another Bloomberg page in its reasonable discretion (§ 315 et seq. BGB) on which a comparable offered rate is displayed or determine such comparable offered rate by reference to such sources as it may select in its reasonable discretion (§ 315 et seq. BGB) in respect of such date. Such determinations will be published by means of a notice given in accordance with § 6 of the General Conditions.

**"Reference Rate Conversion Event"** means the following event: no suitable Replacement Reference Rate (as specified in § 9 (1) of the Special Conditions) is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

**"Reference Rate Cessation Event"** is any of the following events:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities,
- (b) the administrator of the Reference Rate ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time,
- (c) the administrator of the Reference Rate becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored,

whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

**"Reference Rate Reset Date"** means in relation to a Strategy Calculation Date the second Calculation Date immediately preceding the Strategy Calculation Date. If such date is not a Calculation Date for the Reference Rate, the Reference Rate Reset Date shall be the immediately preceding Calculation Date for the Reference Rate that is a Calculation Date.

**"Return of Underlying<sub>i</sub>"** means in relation to a Strategy Calculation Date<sub>i</sub> the result of the following formula:

$$(R(t_i) - R(t_{i-1})) / R(t_{i-1}).$$

**"S (initial)"** means the Start Level of the Strategy.

**"S (k)"** means the Level of the Strategy on the Observation Date (k).

**"Screen Page for the Reference Rate"** means the Screen Page for the 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 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 of subscriptions or redemptions of Fund Shares will customarily take place according to the rules of that Clearance System.

**"S<sub>i</sub>"** means the Level of the Strategy in relation to a Strategy Calculation Date<sub>i</sub>.

**"S<sub>i-1</sub>"** means in relation to a Strategy Calculation Date<sub>i</sub> the Level of the Strategy for Strategy Calculation Date<sub>i-1</sub>.

**"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<sub>i</sub>"** means the Strategy Calculation Date that corresponds to the i-th Calculation Date after the First Strategy Calculation Date.

**"Strategy Calculation Date<sub>i-1</sub>"** means the Strategy Calculation Date immediately preceding the Strategy Calculation Date<sub>i</sub>.

**"Strategy Fee (based on the Level of the Strategy)"** means an annual fee considered for the determination of the Level of the Strategy that is based on the Level of the Strategy. The annual rate corresponds to Fee<sub>Strat</sub>.

**"Strategy Fee (based on the Underlying)"** means an annual fee considered for the determination of the Level of the Strategy that is based on a portion of the Level of the Strategy in accordance with the Dynamic Weight. The annual rate corresponds to Fee<sub>UL</sub>.

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

**"Underlying Volatility"** means the Underlying Volatility as calculated or specified pursuant to § 2 (5) of the Special Conditions.

**"Underlying Currency"** means the Underlying Currency as specified in § 2 of the Product and Underlying Data.

**"Volatility Observation Period<sub>i</sub>"** means in relation to a Strategy Calculation Date<sub>i</sub> 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<sub>i</sub> according to the Offset of the Volatility Observation Period.

For the avoidance of doubt: The Volatility Observation Period<sub>i</sub> may encompass Calculation Dates that precede the First Strategy Calculation Date and the Initial Observation Date, respectively.

"Vol<sub>i</sub>" means the Underlying Volatility in relation to the Strategy Calculation Date<sub>i</sub>.

"VOP Calculation Date<sub>j</sub> -VOPO-VOPL+j" means in relation to a Strategy Calculation Date<sub>i</sub> the Calculation Date that corresponds to the j-th Calculation Date of the Volatility Observation Period<sub>i</sub>.

"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 for Notices" means the Website(s) for Notices as specified in § 1 of the Product and Underlying Data.

"Website 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, Underlying Volatility

- (1) The Securities do not bear interest.
- (2) Additional Amount (k):

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:

$$\text{Additional Amount}(k) = \text{Nominal Amount} \times \text{Participation Factor} \times \frac{\text{Performance of the Strategy}(k) - \text{Strike Level}}{D(k)}$$

However, the Additional Amount (k) is not less than the relevant Minimum Additional Amount (k).

- (3) *Level of the Strategy (S<sub>i</sub>):* 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<sub>i</sub> after the First Strategy Calculation Date, the Level of the Strategy is calculated according to the following formula:

$$S_i = S_{i-1} \times \left[ 1 - \text{Fee}_{\text{Strat}} \times \frac{\text{Days}_{i-1,i}}{360} + DW_{i-1} \times \left( \text{Return of the Underlying}_i - \text{Rate}_{i-1} \times \frac{\text{Days}_{i-1,i}}{360} - \text{Fee}_{\text{UL}} \times \frac{\text{Days}_{i-1,i}}{360} \right) \right]$$

- (4) *Dynamic Weight (DW<sub>i</sub>):* The Calculation Agent shall calculate the Dynamic Weight in respect of a Strategy Calculation Date<sub>i</sub> according to the following formula:

$$DW_i = \frac{\text{Target Volatility}}{\text{Vol}_i}$$

However, the Dynamic Weight is not less than the Minimum Weight and not greater than the Maximum Weight.

- (5) *Underlying Volatility (Vol<sub>i</sub>):* The Calculation Agent shall calculate the Underlying Volatility in respect of a Strategy Calculation Date<sub>i</sub> according to the following formula:

$$\text{Vol}_i = \sqrt{\frac{\sum_{j=1}^{\text{VOPL}} (\text{LnPerf}_{i-\text{VOPO}-\text{VOPL}+j})^2 - \frac{1}{\text{VOPL}} \times (\sum_{j=1}^{\text{VOPL}} \text{LnPerf}_{i-\text{VOPO}-\text{VOPL}+j})^2}{\text{VOPL} - 1}} \times \sqrt{252}$$

### § 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.

### § 5

#### 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 fair market value of the Securities without taking into account future interest payments on the Securities, if any, together with accrued interest on such determined market value 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 its reasonable discretion (§ 315 et seq. BGB).

The determination of the fair market value is based on the economic equivalent of the Issuer's payment obligations to the Security Holders consistent with the provisions for the redemption profile, interest or other additional amounts of the Securities that would otherwise be due on the Final Payment Date and which is adjusted for taking into consideration the following parameters as of the tenth Banking Day before the Final Payment Date: the price of the Underlying, the remaining time to maturity, the estimated volatility, the dividends (if applicable), the current interest rate as well as the interest spread associated with the credit default risk of the Issuer 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 Amount (k) ceases to exist in relation to all Additional Amount Payment Dates (k) following the occurrence of a Conversion Event.

The Settlement Amount will be paid pursuant to the provisions of § 6 of the Special Conditions.

## § 6

### Payments

- (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.
- (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 and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such payment.
- (4) *Interest of default:* If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

## § 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 to the next following Calculation Date on which the Market Disruption Event no longer exists.  
  
Any Payment Date relating to such Observation Date (k) 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 Strategy Calculation Date that is not an Observation Date, the Level of the Target Vol Strategy, the Dynamic Weight and the Return of the Underlying shall not be calculated with respect to such date and such date shall not be considered in the calculation of the Underlying Volatility.
- (3) *Discretionary valuation:* Should the Market Disruption Event continue for more than 30



consecutive Banking Days, the Calculation Agent shall determine in its reasonable discretion (§ 315 et seq. BGB) the respective Reference Price required for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. Such Reference Price shall be the reasonable price determined in accordance with prevailing market conditions at 10:00 a.m. Munich time on this 31<sup>st</sup> Banking Day, taking into account the financial position of the Security Holders.

## § 8

### **Adjustments, Replacement Underlying, Replacement Management Company, 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 Calculation Agent) 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 financial position of the Security Holders remains unchanged to the greatest extent possible. Such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available price of the Underlying. In making the adjustment, the Calculation Agent will take into account additional direct or indirect costs incurred by the Issuer in the course of or in connection with the respective Adjustment Event, including, inter alia, taxes, retentions, deductions or other charges borne by the Issuer. The exercised adjustments and the date of the first application shall be notified pursuant to § 6 of the General Conditions.
- (2) *Replacement Underlying:* In cases of a Fund Replacement Event, the adjustment usually entails the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) determining which Fund or Fund Share should be used in the future as the Underlying (the "**Replacement Underlying**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions (in particular to the Underlying, the ratio and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying, any reference to the Underlying in the Terms and Conditions shall be deemed to refer to the Replacement Underlying, unless the context provides otherwise.
- (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 of the Underlying, then the relevant value will not be specified again.

- (4) If the Underlying is no longer calculated by the Management Company but by another person, company or institution (the "**Replacement Management Company**"), each and every reference to the Management Company in the Terms and Conditions shall be deemed, depending on the context, to refer to the Replacement Management Company.
- (5) The application of §§ 313, 314 BGB remains reserved.

## **§ 9**

### **Replacement Reference Rate, Adjustment, Interest Rate Adjustment Factor or Spread, Notices**

- (1) *Replacement Reference Rate:* Upon the occurrence of a Reference Rate Cessation Event on or preceding a relevant date, the Reference Rate will be replaced by the Calculation Agent with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")
  - (a) has been publicly and permanently declared as the replacement for the original Reference Rate by the administrator of the Reference Rate, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
  - (b) is typically used as a Replacement Reference Rate for comparable securities (in particular with a view to the Specified Currency, the type of interest payment and the term), or – in the event and as long as this is not the case –
  - (c) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the Specified Currency or (y) exchange traded interest futures with a comparable term, or – in the event and as long as this is not the case –
  - (d) is determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB) with a view to the Specified Currency and the expected term in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Germany.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to each subsequent a relevant Calculation Date<sub>t</sub>, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (a) to (d) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

(2) *Adjustments*: If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of the Securities in its reasonable discretion (§ 315 et seq. BGB). This includes in particular:

- (a) the method of calculation or determination of the Interest Rate; this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (b) the method for determination of the Reference Rate (including any rounding rules),
- (c) the Designated Maturity, which can be shortened or extended;
- (d) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre;
- (e) the Day Count Fraction;
- (f) the relevant Calculation Date<sub>t</sub> (including the relevant Banking Days), which may be postponed from the beginning of the relevant Interest Period to the end thereof; and/or
- (g) the business day convention according to § 6 (2) of the Special Terms and Conditions.

Such adjustments shall enable the Calculation Agent

- (i) to use the Replacement Reference Rate in accordance with the then prevailing market practice  
or – to the extent that the Calculation Agent determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –
- (ii) to use the Replacement Reference Rate in such a manner as determined by the Calculation Agent necessary for its use as the Replacement Reference Rate for the Securities; whether this is the case shall be determined by the Calculation Agent at in its reasonable discretion (§ 315 et seq. BGB).

(3) *Interest rate adjustment factor or spread*: In addition to an adjustment under paragraph (2), the Calculation Agent may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount in order to achieve, as far as possible, a result that reflects the economic substance of the Securities prior to the occurrence of the Reference Rate Cessation Event. What is appropriate to reflect the economic substance of the Securities in a given case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

- (4) *Notices:* The Calculation Agent shall notify the Issuer without undue delay of the Replacement Reference Rate pursuant to paragraph (1) and the adjustments and determinations made pursuant to paragraphs (2) and (3) as well as the date of first application, who will notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 6 of the General Conditions of the Securities.
- (5) The application of §§ 313, 314 BGB remains reserved.