

FORM OF FINAL TERMS

Final Terms

dated 27 June 2018

UniCredit Bank AG

Issue of Telescope TV ER Note 06/2028 on Acatis – Gané Value Event Fonds

(the "**Securities**")

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 Article 5 para. 4 of the Directive 2003/71/EC, at the date of the Base Prospectus (the "**Prospectus Directive**") in connection with § 6 para. 3 of the German Securities Prospectus Act, at the date of the Base Prospectus (Wertpapierprospektgesetz, the "**WpPG**"). In order to get the full information the Final Terms are to be read together with the information contained in the base prospectus of UniCredit Bank AG (the "**Issuer**") dated 25 May 2018 for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) (the "**Base Prospectus**") and in any supplements to the Base Prospectus according to § 16 WpPG (the "**Supplements**").*

The Base Prospectus, any Supplements and these Final Terms are available on www.onemarkets.de/basisprospekte in accordance with § 14 WpPG. The Issuer may replace these website(s) by any successor website(s) which will be published by notice in accordance with § 6 of the General Conditions.

The validity of the above mentioned Base Prospectus dated 25 May 2018, under which the Securities described in these Final Terms are issued, ends on 25 May 2019. From this point in time, these Final Terms are to be read together with the latest base prospectus of UniCredit Bank AG for Securities with Single Underlying and Multi Underlying (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 the Base Prospectus dated 25 May 2018. The latest base prospectus of UniCredit Bank AG for Securities with Single Underlying and Multi Underlying (with (partial) capital protection) will be published on www.onemarkets.de/basisprospekte.

SECTION A – GENERAL INFORMATION

Issue Date and Issue Price:

Issue Date: The issue date of each Security is specified in § 1 of the Product and Underlying Data.

Issue Price: The issue price per Security is specified in § 1 of the Product and Underlying Data.

Selling concession:

Not applicable; no such expenses will be charged to the investor by the Issuer.

Other commissions:

Not applicable

Issue volume:

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

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

Product Type:

Telescope Securities linked to Target Vol Strategies

Admission to trading and listing:

Application 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 eleven months following from the Issue Date on the following markets: Regulated market of the Luxembourg Stock Exchange.

Application to listing will be made as of 28 June 2018 on the following markets:

- Frankfurt Stock Exchange (Freiverkehr, Open Market)

Payment and delivery:

Delivery against payment

Notification:

The Federal Financial Supervisory Authority (the "**BaFin**") has provided to the competent authorities in Italy, the Czech Republic, Hungary, the Slovak Republic, Poland and Luxembourg a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

Terms and conditions of the offer:

The smallest transferable amount is EUR 100,000.

The smallest tradable amount is EUR 100,000.

The Securities will be offered to qualified investors and/or institutional investors by way of a private placement.

No public offer occurs. The Securities shall be admitted to trading on an organised market.

Consent to the use of the Base Prospectus:

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 during the period of the validity of the Base Prospectus. General consent for the subsequent resale or final placement of Securities by the financial intermediaries is given in relation to Luxembourg.

The Issuer's consent to the use of the Base Prospectus is subject to the condition that each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer.

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

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

Not applicable

Additional information:

Not applicable

SECTION B – CONDITIONS

Part A - General Conditions of the Securities

Governing law:	German law (Option 1 of the General Conditions is applicable)
Type of the Securities / Form:	Notes
Global Note:	The Securities are represented by a permanent global note without interest coupons
Book Entry:	Not applicable
Principal Paying Agent:	UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany
Calculation Agent:	UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany
Clearing System, Custody:	CBF

PART B – PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

Calculation Currency: Euro ("EUR")

Common Code: 184781794

Designated Maturity for the Reference Rate: 3 months

Fee_{Strat}: 0.00 %

Fee_{UL}: 0.00 %

First Trade Date: 20 June 2018

Issue Date: 27 June 2018

Issue Volume of Series: EUR 15,000,000

Issue Volume of Tranche: EUR 15,000,000

Length of the Volatility Observation Period: 20 Calculation Dates

Maximum Weight: 150 %

Minimum Amount: EUR 100,000

Minimum Weight: 0.00 %

Nominal Amount: EUR 100,000

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 %

Target Volatility: 7.00 %

Website for Notices: www.onemarkets.de/wertpapier-mitteilungen

Website of the Issuer: www.onemarkets.de

Table 1.1:

ISIN	WKN	Reuters	Series Number	Tranche Number	Aggregate Nominal Amount of the Series	Aggregate Nominal Amount of the Tranche	Issue Price
DE000HVB2P61	HVB2P6	DEHVB2P6=HVBG	P1114829	1	EUR 15,000,000.00	EUR 15,000,000.00	100 %

Table 1.2:

ISIN	Underlying	Reference Price	Strike Level	Participation Factor	Minimum Amount
DE000HVB2P61	Acatis – Gané Value Event Fonds UI - A	NAV	100 %	55 %	EUR 100,000.00

Table 1.3:

ISIN	Initial Observation Date	Final Payment Date
DE000HVB2P61	27 June 2018	27 June 2028

Table 1.4:

ISIN	k	D (k)	Observation Date (k)	Additional Amount Payment Date (k)	Minimum Additional Amount (k)
DE000HVB2P61	1	1	20 June 2019	27 June 2019	EUR 500.00
	2	2	19 June 2020	26 June 2020	EUR 500.00
	3	3	18 June 2021	25 June 2021	EUR 500.00
	4	4	20 June 2022	27 June 2022	EUR 500.00
	5	5	20 June 2023	27 June 2023	EUR 500.00
	6	6	20 June 2024	27 June 2024	EUR 500.00
	7	7	20 June 2025	27 June 2025	EUR 500.00
	8	8	19 June 2026	26 June 2026	EUR 500.00
	9	9	18 June 2027	25 June 2027	EUR 500.00
	10	10	20 June 2028	27 June 2028	EUR 500.00

§ 2
Underlying Data

Table 2.1:

Underlying	Underlying Currency	WKN	ISIN	Bloomberg
Acatis – Gané Value Event Fonds UI – A	EUR	A0X754	DE000A0X7541	ACAGVEF GR Equity

Table 2.2:

Underlying	Custodian Bank	Management Company	Investment Adviser	Portfolio Manager	Auditor	Website
Acatis – Gané Value Event Fonds UI - A	Hauck & Aufhäuser Privatbankiers KGaA	Universal-Investment-Gesellschaft mbH	ACATIS Investment GmbH	Universal-Investment-Gesellschaft mbH	KPMG AG	www.acatis.de

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 in one of the Fund Documents without the consent of the Calculation Agent which affect the ability of the Issuer to hedge its obligations under the Securities, in particular changes with respect to (i) the risk profile of the Fund, (ii) the investment objectives or investment strategy or investment restrictions of the Fund, (iii) the currency of the Fund Shares, (iv) the method of calculating the NAV or (v) the timetable for the subscription, issue, redemption or transfer of the Fund Shares; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 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 (other than fees, premiums, discounts, charges, commissions, taxes or similar fees already charged on the First Trade Date); whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (d) the Fund or the Management Company or Fund Services Provider appointed for this purpose by the Fund or the Management Company fails to publish the NAV as scheduled or in accordance with normal practice or as specified in Fund Documents;
- (e) a change in the legal form of the Fund;
- (f) a change of significant individuals in key positions at the Management Company or in the Fund Management; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (g) (i) a change in the legal, accounting, tax or regulatory treatment of the Fund or the Management Company; or (ii) the suspension, cancellation, revocation or absence of the accreditation or registration of the Fund or the Management Company; or (iii) the suspension, cancellation, revocation or absence of an authorisation of the Fund by the relevant authority; or (iv) the initiation of investigatory proceedings by the supervisory authorities, a conviction by a court or an order by a competent authority relating to the activities of the Fund, the Management Company or a Fund Services Provider, or of individuals in key positions at the Management Company or in the Fund Management as a result of misconduct, a violation of the law or for similar reasons; 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 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, purchase, redemption, sale or holding of Fund Shares, (i) to create a reserve or provision, or (ii) to increase the amount of regulatory capital held by the Issuer with respect to complying with the terms of the agreements it has entered into for the purpose of hedging its obligations under the Securities to an extent that is significant in comparison with the conditions applying on the First Trade Date; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 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 [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 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 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 its reasonable discretion (§ 315 et seq. BGB);
- (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 its reasonable discretion (§ 315 et seq. BGB);
- (u) changes in the investment or distribution policy of the Fund which could have a substantial negative effect on the amount of the Fund's distributions as well as distributions which diverge significantly from the Fund's normal distribution policy to date; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 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 the conditions are fulfilled 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 the conditions are fulfilled 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 the conditions are fulfilled 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 or the ability of the Issuer to hedge its obligations under the Securities on more than a temporary basis; whether the conditions are fulfilled shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (z) the NAV is no longer published in the Underlying Currency;
- (aa) starting 31 December 2018, the Issuer does not receive with respect to each Calculation Date 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 five Banking Days;;
- (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, in relation to a Fund, 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 the Auditor 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) ("**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 adoption of or any changes in laws or regulations (including but not limited to tax laws or capital market regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

in the reasonable discretion (§ 315 et seq. BGB) of the Issuer

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,

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

"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 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 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_{i-1,i}" means in relation to a Strategy Calculation Date_i 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 Reference Rate" means the Designated Maturity for the Reference Rate as specified in § 1 of the Product and Underlying Data.

"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.

"Fee_{Strat}" means the Fee_{Strat} as specified in § 1 of the Product and Underlying Data.

"Fee_{UL}" means the Fee_{UL} 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 Underlying is available in case of a Fund Replacement Event; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (b) no Replacement Management Company is available; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
- (c) a Change in Law and/or Hedging Disruption occurs.

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

"Fund Replacement Event" means 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 its reasonable discretion (§ 315 et seq. BGB).

"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 its reasonable discretion (§ 315 et seq. BGB).

"Investment Adviser" means the Investment Adviser specified in § 2 of the Product and Underlying Data. 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.

"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_{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:

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

"Management Company" means the Management Company 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,
- (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) 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 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. 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" 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 $S(\text{initial})$, as the denominator.

"Portfolio Manager" means the Portfolio Manager specified in § 2 of the Product and Underlying Data. 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.

"Principal Paying Agent" means the Principal Paying Agent as specified in § 1 of the Product and Underlying Data.

"R (t_i)" means the Reference Price on Strategy Calculation Date_i.

"R (t_{i-1})" means in relation to a Strategy Calculation Date_i the Reference Price for Strategy Calculation Date_{i-1}.

"R (t_{i-VOPO-VOPL+j})" means the Reference Price on VOP Calculation Date_{i-VOPO-VOPL+j}.

"R (t_{i-VOPO-VOPL+j-1})" means in relation to a VOP Calculation Date_{i-VOPO-VOPL+j} the Reference Price on the Calculation Date immediately preceding VOP Calculation Date_{i-VOPO-VOPL+j}.

"Rate_{i-1}" means in relation to a Strategy Calculation Date_i the Reference Rate determined on the 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 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 BGB).

"Reference Rate Registered Benchmark Administrator" means the Reference Rate Registered Benchmark Administrator as specified in § 1 of the Product and Underlying Data.

"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_i" means in relation to a Strategy Calculation Date_i 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 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.

"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}.

"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 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_{Strat} .

"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_{UL} .

"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_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.

"Vol_i" means the Underlying Volatility 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 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_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:

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

- (4) *Dynamic Weight (DW_i):* The Calculation Agent shall calculate the Dynamic Weight in respect of a Strategy Calculation Date_i according to the following formula:

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

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

- (5) *Underlying Volatility (Vol_i):* The Calculation Agent shall calculate the Underlying Volatility in respect of a Strategy Calculation Date_i according to the following formula:

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

§ 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 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 31st Banking Day, taking into account the economic 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 (in particular the ratio and/or all prices of the Underlying specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent on the basis of the Terms and Conditions shall be adjusted in a way that the economic position of the Security Holders remains unchanged to the greatest extent possible; such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). For this purpose, the Calculation Agent will take into account the remaining term of the Securities as well as the latest available price of the Underlying. In making the adjustment, the Calculation Agent will take into account additional direct or indirect costs incurred by the Issuer in the course of or in connection with the respective Adjustment Event, including taxes, retentions, deductions or other charges borne by the Issuer. The adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions.
- (2) *Replacement Underlying:* In cases of a Fund Replacement Event, the adjustment usually entails the Calculation Agent in its reasonable discretion (§ 315 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 economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the adjustments made and the time of their initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying, any reference to the Underlying in the Terms and Conditions shall be deemed to refer to the Replacement Underlying, unless the context provides otherwise.
- (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.

§ 9

Replacement Reference Rate

- (1) *Replacement Reference Rate:* If, during the term of the Securities, the Reference Rate is not provided or shall not be used anymore or the Reference Rate changes significantly, the Reference Rate shall be replaced by the Calculation Agent by a reference rate that is economically appropriate. The Calculation Agent takes into account the market practices observed at that time. In particular, it takes into account the extent to which an alternative reference rate is available. The Calculation Agent determines the Replacement Reference Rate in its reasonable discretion (§ 315 BGB).
- (2) The application of §§ 313, 314 BGB remains reserved.

The application of §§ 313, 314 BGB remains reserved.

UniCredit Bank AG