

UniCredit Bank AG
Munich, Federal Republic of Germany

Base Prospectus

for the issuance of

**Securities with Multi-Underlying
(without capital protection)**

under the Euro 50,000,000,000 Debt Issuance Programme

18 May 2016

This document constitutes a base prospectus (the "**Base Prospectus**") according to Art. 5 (4) of Directive 2003/71/EC, in the version valid at the date of the Base Prospectus, (the "**Prospectus Directive**") in connection with § 6 of the German Securities Prospectus Act, in the version valid at the date of the Base Prospectus (*Wertpapierprospektgesetz*, the "**WpPG**") in connection with the Commission Regulation (EC) No 809/2004, in the version valid at the date of the Base Prospectus relating to securities with multi-underlying (without capital protection) (the "**Securities**") issued from time to time by UniCredit Bank AG ("**HVB**" or the "**Issuer**") under the Euro 50,000,000,000 Debt Issuance Programme (the "**Programme**").

This Base Prospectus is to be read together with the information provided in (a) the registration document of UniCredit Bank AG dated 22 April 2016 (the "**Registration Document**"), whose information is incorporated herein by reference, (b) the supplements to this Base Prospectus in accordance with § 16 WpPG, if any (the "**Supplements**") (c) all other documents whose information is incorporated herein by reference (see "General Information– Information incorporated by reference in this Base Prospectus" below) as well as (d) the respective Final Terms (the "**Final Terms**").

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme is intended to provide the basis of any credit evaluation and should not be considered as a recommendation by the Issuer, that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Securities. Potential investors should note that an investment in the Securities is only suitable for investors, who understand the nature of such Securities and the extent of their exposure to risk and have sufficient knowledge, experience and access to professional advisors (including their financial, legal and tax advisors) in order to form their own legal, tax and financial opinion upon the existing risks of such investments in such Securities.

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Securities. The delivery of this Base Prospectus does not imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date of this Base Prospectus or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Issuer will be obliged to supplement this Base Prospectus pursuant to § 16 WpPG. Investors should read *inter alia* the most recent non-consolidated or consolidated financial statements and interim reports, if any, of the Issuer when deciding whether or not to purchase any Securities.

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

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SUMMARY

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

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

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

A. INTRODUCTION AND WARNINGS

A.1	Warning	<p>This Summary should be read as an introduction to the Base Prospectus. The investor should base any decision to invest in the Securities on consideration of the Base Prospectus as a whole.</p> <p>Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>UniCredit Bank AG ("UniCredit Bank", the "Issuer" or "HVB"), Arabellastraße 12, 81925 Munich, which in its capacity as Issuer assumes liability for the Summary including any translation thereof, as well as any person which has tabled it, may be held liable, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or it does not provide, when read together with the other parts of the Base Prospectus, all necessary key information.</p>
A.2	Consent to the use of the base prospectus	<p>[Subject to the following paragraphs, the Issuer gives its consent to the use of the Base Prospectus during the Offer Period for subsequent resale or final placement of the Securities by financial intermediaries.]</p> <p>[Not applicable. The Issuer does not give its consent to the use of the Base Prospectus for subsequent resale or final placement of the Securities by financial intermediaries.]</p>
	Indication of the offer period	<p>[Resale or final placement of the Securities by financial intermediaries can be made and consent to use the Base Prospectus is given [for the following offer period of the Securities: <i>[Insert offer period for which consent is given]</i>] [during the period of the validity of the Base Prospectus].]</p> <p>[Not applicable. No consent is given.]</p>
	Other conditions attached to the consent	<p>[The Issuer's consent to the use of the Base Prospectus is subject to the condition that each financial intermediary complies with the applicable selling restrictions as well as the terms and conditions of the offer.]</p> <p>[Moreover, the Issuer's consent to the use of the Base Prospectus is subject to the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Securities. This commitment is made by the publication of the financial intermediary on its website stating that the prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.]</p> <p>[Not applicable. No consent is given.]</p>

	Provision of terms and conditions of the offer by financial intermediary	[Information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary.] [Not applicable. No consent is given.]
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B. ISSUER

B.1	Legal and commercial name	UniCredit Bank AG (together with its consolidated subsidiaries, the " HVB Group ") is the legal name. HypoVereinsbank is the commercial name.												
B.2	Domicile / Legal form / Legislation / Country of incorporation	UniCredit Bank has its registered office at Arabellastraße 12, 81925 Munich, was incorporated in Germany and is registered with the Commercial Register at the Local Court (<i>Amtsgericht</i>) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany.												
B.4b	Known trends affecting the issuer and the industries in which it operates	The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2016 as well as other remaining imponderables. In this environment, HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived therefrom on a regular basis.												
B.5	Description of the group and the issuer's position within the group	UniCredit Bank is the parent company of HVB Group. HVB Group holds directly and indirectly equity participations in various companies. UniCredit Bank has been an affiliated company of UniCredit S.p.A., Rome (" UniCredit S.p.A. ", and together with its consolidated subsidiaries, " UniCredit ") since November 2005 and hence a major part of UniCredit from that date as a sub-group. UniCredit S.p.A. holds directly 100% of UniCredit Bank's share capital.												
B.9	Profit forecast or estimate	Not applicable; no profit forecast or estimate is made.												
B.10	Nature of any qualifications in the audit report on historical financial information	Not applicable; Deloitte & Touche GmbH, Wirtschaftsprüfungsgesellschaft, the independent auditor (<i>Wirtschaftsprüfer</i>) of UniCredit Bank, has audited the consolidated financial statements (<i>Konzernabschluss</i>) of HVB Group for the financial year ended 31 December 2014 and for the financial year ended 31 December 2015 and the unconsolidated financial statement (<i>Einzelabschluss</i>) of UniCredit Bank for the financial year ended 31 December 2015 and has in each case issued an unqualified audit opinion thereon.												
B.12	Selected historical key financial information	<p>Consolidated Financial Highlights as of 31 December 2015*</p> <table border="1"> <thead> <tr> <th>Key performance indicators</th> <th>1/1/2015 – 31/12/2015</th> <th>1/1/2014 – 31/12/2014¹⁾</th> </tr> </thead> <tbody> <tr> <td>Net operating profit</td> <td>€983m</td> <td>€892m</td> </tr> <tr> <td>Profit before tax</td> <td>€776m</td> <td>€1,083m</td> </tr> <tr> <td>Consolidated profit</td> <td>€750m</td> <td>€785m</td> </tr> </tbody> </table>	Key performance indicators	1/1/2015 – 31/12/2015	1/1/2014 – 31/12/2014 ¹⁾	Net operating profit	€983m	€892m	Profit before tax	€776m	€1,083m	Consolidated profit	€750m	€785m
Key performance indicators	1/1/2015 – 31/12/2015	1/1/2014 – 31/12/2014 ¹⁾												
Net operating profit	€983m	€892m												
Profit before tax	€776m	€1,083m												
Consolidated profit	€750m	€785m												

Earnings per share	€0.93	€0.96
Balance sheet figures	31/12/2015	31/12/2014
Total assets	€298,745m	€300,342m
Shareholders' equity	€20,766m	€20,597m
Key capital ratios	31/12/2015	31/12/2014
Common Equity Tier 1 capital	€19,564m	€18,993m
Core capital (Tier 1 capital)	€19,564m	€18,993m
Risk-weighted assets (including equivalents for market risk and operational risk)	€78,057m	€85,768m
Common Equity Tier 1 capital ratio ²⁾	25.1%	22.1%
Core capital ratio (Tier 1 ratio) ²⁾	25.1%	22.1%

* Figures shown in this table are audited and taken from the consolidated financial statements of HVB Group for the financial year ended 31 December 2015.

¹⁾ Without discontinued operations

²⁾ Calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk.

Consolidated Financial Highlights as of 31 March 2016*

Key performance indicators	1/1/2016 – 31/3/2016	1/1/2015 – 31/3/2015
Net operating profit	€215m	€182m
Profit before tax	€210m	€197m
Consolidated profit	€138m	€131m
Earnings per share (full HVB Group)	€0.17	€0.16
Balance sheet figures	31/3/2016	31/12/2015
Total assets	€313,878m	€298,745m
Shareholders' equity	€20,898m	€20,766m
Key capital ratios	31/3/2016	31/12/2015
Common Equity Tier 1 capital	€19,456m	€19,564m
Core capital (Tier 1 capital)	€19,456m	€19,564m
Risk-weighted assets (including equivalents for market risk and operational risk)	€82,946m	€78,057m

		<table border="1"> <tr> <td>Common Equity Tier 1 capital ratio¹⁾</td> <td>23.5%</td> <td>25.1%</td> </tr> </table> <p>* Figures shown in this table are unaudited and taken from the Issuer's consolidated interim report as of 31 March 2016.</p> <p>¹⁾ Calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk.</p>	Common Equity Tier 1 capital ratio ¹⁾	23.5%	25.1%
Common Equity Tier 1 capital ratio ¹⁾	23.5%	25.1%			
	<p>Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change</p> <p>Description of significant change in the financial position subsequent to the period covered by the historical financial information</p>	<p>There has been no material adverse change in the prospects of HVB Group since 31 December 2015, the date of its last published audited financial statements.</p> <p>There has been no significant change in the financial position of HVB Group which has occurred since 31 March 2016.</p>			
B.13	Recent events	Not applicable. There are no recent events particular to UniCredit Bank which are to a material extent relevant to the evaluation of its solvency.			
B.14	B.5 plus statement of dependency upon other entities within the group	See B.5 Not applicable. UniCredit Bank is not dependent on any entity within HVB Group.			
B.15	Principal activities	<p>UniCredit Bank offers a comprehensive range of banking and financial products and services to private, corporate and public sector customers, international companies and institutional customers.</p> <p>This range extends from mortgage loans, consumer loans, savings-and-loan and insurance products, and banking services for private customers through to business loans and foreign trade financing and investment banking products for corporate customers.</p> <p>In the private banking and wealth management customer segments,</p>			

		<p>UniCredit Bank offers comprehensive financial and asset planning with needs-based advisory services by generalists and specialists.</p> <p>HVB Group continues to be the centre of competence for the international markets and investment banking operations for the entire UniCredit. In addition, the Corporate & Investment Banking business segment acts as a product factory for customers in the Commercial Banking business segment.</p>
B.16	Direct or indirect ownership or control	UniCredit S.p.A. holds directly 100% of UniCredit Bank's share capital.

C. SECURITIES

C.1	Type and class of the securities	<p>[Worst-of Bonus [Classic] Securities] [Worst-of Bonus Cap Securities] [Worst-of Express [Classic] Securities] [Worst-of Express Plus Securities] [Worst-of Express Securities with Additional Amount] [Worst-of Express Cash Collect Securities] [Worst-of Cash Collect Securities]</p> <p>The Securities will be issued as [Notes] [Certificates] with Nominal Amount.</p> <p>["Notes"] ["Certificates"] are debt instruments in bearer form (<i>Inhaberschuldverschreibungen</i>) pursuant to Section 793 of the German Civil Code (<i>Bürgerliches Gesetzbuch, BGB</i>).</p> <p>"Nominal Amount" means [Insert].</p> <p>[The Securities are represented by a permanent global note without interest coupons.]</p> <p>[The Securities are initially represented by a temporary global note without interest coupons which will be exchangeable for a permanent global note without interest coupons.]</p> <p>The holders of the Securities (the "Security Holders") are not entitled to receive definitive Securities.</p> <p>The [ISIN] [WKN] is specified in the table in the Annex to this summary.</p>
C.2	Currency of the securities issue	The Securities are issued in [Insert Specified Currency] (the " Specified Currency ").
C.5	Restrictions of any free transferability of the securities	Not applicable. The Securities are freely transferable.
C.8	Rights attached to the securities, including ranking and limitations to those rights	<p>Governing law of the Securities</p> <p>The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.</p> <p>Rights attached to the Securities</p> <p>The Securities have a fixed term.</p> <p><u>[Product Type 1 and 2: In the case of Worst-of Bonus [Classic] Securities and Worst-of Bonus Cap Securities, the following applies:</u></p>

	<p>The Securities do not bear interest[or any additional amount].</p> <p>[The Security Holders are entitled to the payment of the respective Additional Amount (l) (as specified in the Final Terms) on the respective Additional Amount Payment Date (l) (as specified in the Final Terms).]</p> <p>The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Maturity Date (as defined in C.16) <u>[In the case of Securities linked to a basket of shares with physical delivery, the following applies:</u> or the delivery of the respective Basket Component; (as defined in C.20) in a specified quantity].]</p> <p><u>[Product Type 3, 4 and 5: In the case of Worst-of Express [Classic] Securities, Worst-of Express Plus Securities and Worst-of Express Securities with Additional Amount, the following applies:</u></p> <p>The Securities do not bear interest.</p> <p>[In the case of an Additional Amount Payment Event (as defined in C.15) the Security Holders are entitled to the payment of the respective Additional Amount (m) (as specified in the Final Terms) on the respective Additional Amount Payment Date (m) (as specified in the Final Terms).]</p> <p>[The Security Holders are entitled to the payment of the respective Additional Amount (l) (as specified in the Final Terms) on the respective Additional Amount Payment Date (l) (as specified in the Final Terms).]</p> <p>The Security Holders are entitled to the payment of the respective Early Redemption Amount (k) (as specified in the Final Terms) on the respective Early Maturity Date (k) (as defined in C.16), if an Early Redemption Event has occurred (as defined in C.15), or the Redemption Amount (as defined in C.15) on the Maturity Date (as defined in C.16) <u>[In the case of Securities linked to a basket of shares with physical delivery, the following applies:</u> or the delivery of a specified quantity of the respective Basket Component; (as defined in C.20)].]</p> <p><u>[Product Type 6: In the case of Worst-of Express Cash Collect Securities, the following applies:</u></p> <p>The Securities do not bear interest.</p> <p>In the case of no Coupon Barrier Event (as defined in C.15) during the Barrier Observation Period (k) (as specified in the Final Terms) and all previous Barrier Observation Periods (k) the Security Holders are entitled to the payment of the respective Additional Amount (k) (as defined in C.15) on the respective Additional Amount Payment Date (k) (as specified in the Final Terms).</p> <p>The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Maturity Date (as defined in C.16).]</p> <p><u>[Product Type 7: In the case of Worst-of Cash Collect Securities, the following applies:</u></p> <p>The Securities do not bear interest.</p> <p>[In the case of an Additional Amount Payment Event (as defined in C.15) the Security Holders are entitled to the payment of the respective Additional Amount (k) (as specified in the Final Terms) on the respective Additional Amount Payment Date (k) (as specified in the Final Terms).]</p> <p>[The Security Holders are entitled to the payment of the respective Additional Amount (l) (as specified in the Final Terms) on the respective Addi-</p>
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		<p>tional Amount Payment Date (l) (as specified in the Final Terms).]</p> <p>The Security Holders are entitled to the payment of the Redemption Amount (as defined in C.15) on the Maturity Date (as defined in C.16) [<i>In the case of Securities linked to a basket of shares with physical delivery, the following applies:</i> or the delivery of the respective Basket Component; (as defined in C.20) in a specified quantity].]</p> <p>Limitation of the rights</p> <p>Upon the occurrence of one or more Adjustment Events (as specified in the Final Terms) the Calculation Agent will in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of the Securities, pursuant to the Final Terms, in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible.</p> <p>[Upon the occurrence of one or more Call Events (the "Call Events") (as specified in the Final Terms) the Issuer may call the Securities extraordinarily pursuant to the Final Terms and redeem the Securities at their Cancellation Amount. The "Cancellation Amount" is the fair market value of the Securities determined on the day specified in the relevant Final Terms by the Calculation Agent in its reasonable discretion (§ 315 BGB).]</p> <p>Status of the Securities</p> <p>The obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, <i>pari passu</i> with all other unsecured unsubordinated present and future obligations of the Issuer.</p>
C.11	Admission to trading	<p>[Application [has been] [will be] made for the Securities to be admitted to trading with effect from [<i>Insert expected date</i>] on the following regulated or other equivalent markets: [<i>Insert relevant regulated or other equivalent market(s)</i>].]</p> <p>[The Securities are already admitted to trading on the following regulated or other equivalent markets: [<i>Insert relevant regulated or other equivalent market(s)</i>].]</p> <p>[Not applicable. No application of the Securities to be admitted to trading on a regulated or another equivalent market has been or is intended to be made.] [The [<i>Insert name of the Market Maker</i>] (also the "Market Maker") undertakes to provide liquidity through bid and offer quotes in accordance with the market making rules of [<i>Insert relevant regulated or other equivalent market(s)</i>], where the Securities are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organized and managed by [<i>Insert relevant regulated or other equivalent market(s)</i>], and the relevant instructions to such rules. [Moreover, the Market Maker undertakes to apply, in normal market conditions, a spread between bid and offer quotes not higher than [<i>Insert percentage</i>]%.]</p>
C.15	Effect of the underlying on the value of the securities	<p>[Product Type 1: In the case of Worst-of Bonus [Classic] Securities, the following applies:</p> <p>The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components</p>

	<p>falls.</p> <p>The redemption on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). However, the payment is at least equal to a Bonus Amount (as specified in the Final Terms), provided that no Barrier Event has occurred.</p> <p>[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]</p> <p>Barrier Event means [that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance (b) (as specified in the Final Terms) on any Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level].</p> <p>If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the redemption amount (the "Redemption Amount"). The Redemption Amount is an amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). However, the Redemption Amount is not lower than the Bonus Amount (as specified in the Final Terms).</p> <p>If a Barrier Event has occurred, [redemption is made on the Maturity Date by payment of the redemption amount (the "Redemption Amount"). The Redemption Amount is an amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms.][the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "Supplemental Cash Amount") (as specified in the Final Terms)].]</p> <p><u><i>Product Type 2: In the case of Worst-of Bonus Cap Securities, the following applies:</i></u></p> <p>The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.</p> <p>The redemption on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). The payment is at least equal to a Bonus Amount (as specified in the Final Terms), if no Barrier Event has occurred. However, in all cases the payment is not greater than the Maximum Amount (as specified in the Final Terms).</p> <p>[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]</p> <p>Barrier Event means [that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance</p>
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(b) (as specified in the Final Terms) on any Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level].

If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to [the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). However, the Redemption Amount is not lower than the Bonus Amount and not higher than the Maximum Amount.][the Maximum Amount.]

[If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike.

However, the Redemption Amount is in this case not greater than the Maximum Amount.]

[If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Cap (as specified in the Final Terms), redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike. However, the Redemption Amount is in this case not greater than the Maximum Amount.

If a Barrier Event has occurred and the Worst Performance (final) is lower than the Cap, a quantity of the Basket Component_i with the Worst Performance (final) expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "**Supplemental Cash Amount**") (as specified in the Final Terms).]

[Product Type 3: In the case of Worst-of Express [Classic] Securities, the following applies:

The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.

The redemption on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) (as specified in the Final Terms) under certain circumstances.

[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]

Automatic Early Redemption

If an Early Redemption Event [but no Barrier Event] has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the relevant Early Redemption Amount (k) (as specified in the Final Terms).

[If a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.]

Early Redemption Event means that each Performance of the Basket Component_i (k) (as specified in the Final Terms) is equal to or greater than the Early Redemption Level_i (k) (as specified in the Final Terms).

Redemption at Maturity Date

If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which is determined as follows:

- If a Final Redemption Event has occurred, the Redemption Amount corresponds to the Maximum Amount (as specified in the Final Terms), or
- If no Final Redemption Event has occurred, the Redemption Amount corresponds to the Final Redemption Amount (as specified in the Final Terms).

Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance (b) (as specified in the Final Terms) on the respective Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level].

Final Redemption Event means that the Worst Performance (final) is equal to or greater than the Final Redemption Level (as specified in the Final Terms).

[If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). The Redemption Amount is not greater than the Nominal Amount.]

[If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount.

If a Barrier Event has occurred and the Worst Performance (final) is lower than the Strike, a quantity of the Basket Component_i with the Worst Performance (final) expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "**Supplemental Cash Amount**") (as specified in the Final Terms).]

[**Product Type 4:** In the case of Worst-of Express Plus Securities, the following applies:

The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.

The redemption amount on the Maturity Date depends on the Worst Performance (final). In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances.

[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]

Automatic Early Redemption

If an Early Redemption Event [but no Barrier Event] has occurred, the

Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the relevant Early Redemption Amount (k) (as specified in the Final Terms).

[If a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.]

Early Redemption Event means that each Performance of the Basket Component_i (k) (as specified in the Final Terms) is equal to or greater than the Early Redemption Level_i (k) (as specified in the Final Terms).

Redemption at Maturity Date

If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Maximum Amount (as specified in the Final Terms).

[If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). The Redemption Amount is not greater than the Nominal Amount.]

[If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount.

If a Barrier Event has occurred and the Worst Performance (final) is lower than the Strike, a quantity of the Basket Component_i with the Worst Performance (final) expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "**Supplemental Cash Amount**") (as specified in the Final Terms).]

Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance (b) (as specified in the Final Terms) on the respective Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level].]

[Product Type 5: In the case of Worst-of Express Securities with Additional Amount, the following applies:

The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.

The redemption amount on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). The Securities allow for the payment of an Additional Amount on each Additional Amount Payment Date, if an Additional Amount Payment Event [and no Barrier Event] has occurred. In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances.

[The Security Holder is not exposed to the influence of exchange rate

movements (Quanto).]

Additional Amount

The payment of the Additional Amount depends on the occurrence of an Additional Amount Payment Event.

Additional Amount Payment Event means that the Worst Performance (m) is equal to or greater than the Additional Amount Payment Level (m) (as specified in the Final Terms) on the respective Observation Date (as defined in C.16).

[If an Additional Amount Payment Event has occurred on an Observation Date (m), the respective Additional Amount (m) is paid on the respective Additional Amount Payment Date (m) less all Additional Amounts paid for the Additional Amount on the previous Additional Amount Payment Dates.

If no Additional Amount Payment Event has occurred on the respective Observation Date (m), no Additional Amount (m) is paid on the respective Additional Amount Payment Date (m).]

[If an Additional Amount Payment Event has occurred on an Observation Date (m) [and no Barrier Event has occurred], the Additional Amount (m) is paid on the respective Additional Amount Payment Date (m).

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

[If a Barrier Event has occurred, the option of the Additional Amount Payment (m) lapses for each following Observation Date (m).]

Automatic Early Redemption

If an Early Redemption Event [but no Barrier Event] has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the relevant Early Redemption Amount (k) (as specified in the Final Terms).

[If a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.] Early Redemption Event means that each Performance of the Basket Component_i (k) (as specified in the Final Terms) is equal to or greater than the Early Redemption Level_i (k) (as specified in the Final Terms).

Redemption at Maturity Date

If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Maximum Amount (as specified in the Final Terms).

[If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). The Redemption Amount is not greater than the Nominal Amount.]

[If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount.

If a Barrier Event has occurred and the Worst Performance (final) is lower than the Strike, a quantity of the Basket Component_i with the Worst Performance (final) expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable

fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "**Supplemental Cash Amount**") (as specified in the Final Terms).]

Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance (b) (as specified in the Final Terms) on the respective Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level].]

Product Type 6: In the case of Worst-of Express Cash Collect Securities, the following applies:

The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.

The redemption on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). The Securities allow for the payment of an Additional Amount on the respective Additional Amount Payment Date, if no Coupon Barrier Event has occurred. In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances.

[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]

Additional Amount

If no Coupon Barrier Event has occurred during the Barrier Observation Period (k) and all previous Barrier Observation Periods (k), payment of the respective Additional Amount (k) is made on the respective Additional Amount Payment Date (k).

If a Coupon Barrier Event has occurred during the Barrier Observation Period (k), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) and on any following Additional Amount Payment Dates (k). I.e., if a Coupon Barrier Event occurs the option of an Additional Amount lapses.

Coupon Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (k) (as specified in the Final Terms) during the Barrier Observation Period (k) (as specified in the Final Terms) in the case of continuous observation][that any Performance of the Basket Component_i (c) (as specified in the Final Terms) on any Coupon Barrier Observation Date during the Barrier Observation Period (k) (as specified in the Final Terms) is equal to or lower than the respective Barrier Level_i (k) (as specified in the Final Terms)].

Automatic Early Redemption

If an Early Redemption Event [but no Coupon Barrier Event] has occurred, the Securities are automatically early redeemed on the respective Early Maturity Date (k) by payment of the relevant Early Redemption Amount (k).

[If a Coupon Barrier Event has occurred, the option of early redemption

lapses and the Securities are redeemed on the Maturity Date.]

[Early Redemption Event means that each Performance of the Basket Component_i (k) (as specified in the Final Terms) is equal to or greater than the Early Redemption Level_i (k) (as specified in the Final Terms).]

Redemption at Maturity Date

If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Maximum Amount (as specified in the Final Terms).

If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). The Redemption Amount is not greater than the Nominal Amount.

Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that any Performance of the Basket Component_i (b) (as specified in the Final Terms) on the respective Barrier Observation Date (as specified in the Final Terms) is equal to or lower than the Barrier Level_i.]

[Product Type 7: In the case of Worst-of Cash Collect Securities, the following applies:

The value of the Securities during their term depends decisively on the price of the Basket Components (as defined in C.20). In principle, the value of the Securities rises if the price of the Basket Components rises and the value of the Securities falls if the price of the Basket Components falls.

The redemption amount on the Maturity Date depends on the Worst Performance (final) (as specified in the Final Terms). The Securities allow for the payment of an Additional Amount on each Additional Amount Payment Date, if an Additional Amount Payment Event [and no Barrier Event] has occurred.

[The Security Holder is not exposed to the influence of exchange rate movements (Quanto).]

Additional Amount

The payment of the Additional Amount depends on the occurrence of an Additional Amount Payment Event.

Additional Amount Payment Event means that the Worst Performance (k) is equal to or greater than the Additional Amount Payment Level (k) (as specified in the Final Terms) on the respective Observation Date (k) (as defined in C.16).

[If an Additional Amount Payment Event has occurred on an Observation Date (k), the respective Additional Amount (k) is paid on the respective Additional Amount Payment Date (k) less all Additional Amounts paid for the Additional Amount on the previous Additional Amount Payment Dates.

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

[If an Additional Amount Payment Event has occurred on an Observation

		<p>Date (k) [and no Barrier Event has occurred], the respective Additional Amount (k) is paid on the respective Additional Amount Payment Date (k).</p> <p>If no Additional Amount Payment Event has occurred on an Observation Date (k), no Additional Amount (k) is paid on the respective Additional Amount Payment Date (k).]</p> <p>[If a Barrier Event has occurred, the option for payment of the Additional Amount (k) lapses for each following Observation Date (k).]</p> <p><i>Redemption at Maturity Date</i></p> <p>If no Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Maximum Amount (as specified in the Final Terms).</p> <p>[If a Barrier Event has occurred, redemption is made on the Maturity Date by payment of the Redemption Amount, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike (as specified in the Final Terms). The Redemption Amount is not greater than the Nominal Amount.]</p> <p>[If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, redemption is made on the Maturity Date by payment of the Redemption Amount that is equal to the Nominal Amount.</p> <p>If a Barrier Event has occurred and the Worst Performance (final) is lower than the Strike, a quantity of the Basket Component_i with the Worst Performance (final) expressed by the Ratio_i (as specified in the Final Terms) is delivered on the Maturity Date. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount denominated in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i (the "Supplemental Cash Amount") (as specified in the Final Terms).]</p> <p>Barrier Event means [that any price of at least one Basket Component_i (as defined in C.20) is equal to or lower than the respective Barrier_i (as specified in the Final Terms) during the Barrier Observation Period (as specified in the Final Terms) in the case of continuous observation][that the Worst Performance (b) (as specified in the Final Terms) on the respective Barrier Observation Date (as specified in the Final Terms) is lower than the Barrier Level_i.]</p>
C.16	The expiration or maturity date of the derivative securities – the exercise date or final reference date	The " Final Observation Date[s] "[,][and] the " Maturity Date "[, [the " Observation Date (k) "] [the " Observation Date (m) "] and the " Early Maturity Date (k) "] [are][is] specified in the table in the Annex to this summary.
C.17	Settlement procedure of the securities	<p>All payments [and/or delivery of the Basket Components] shall be made to [<i>Insert</i>] (the "Principal Paying Agent"). The Principal Paying Agent shall pay the amounts due [and/or delivery of the Basket Components] to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Security Holders.</p> <p>The payment [and/or delivery] to the Clearing System shall discharge the</p>

		<p>Issuer from its obligations under the Securities in the amount of such payment [and/or delivery].</p> <p>"Clearing System" means <i>[Insert]</i>.</p>				
C.18	Description of how any return on derivative securities takes place	<p><u><i>[In the case of Securities with cash settlement, insert:</i></u> Payment of the Redemption Amount on the Maturity Date]</p> <p><u><i>[In the case of Securities linked to shares with physical delivery of the Underlying, insert:</i></u> Payment of the Redemption Amount on the Maturity Date or delivery of the Basket Component_i with the Worst Performance (final) (and payment of the Supplemental Cash Amount, if any) within five banking days after the Maturity Date]</p> <p><u><i>[In the case of Securities with automatic early redemption, the following applies:</i></u> or Payment of the respective Early Redemption Amount (k) on the respective Early Maturity Date (k)]</p> <p><u><i>[In the case of Securities with extraordinary Issuer call, insert:</i></u> .[each] subject to an extraordinary Issuer call].</p>				
C.19	Exercise price or final reference price of the underlying	<p><u><i>[In the case of Securities with final Reference Price observation, the following applies:</i></u> "K_i (final)" means the Reference Price of the Basket Component_i on the Final Observation Date.]</p> <p><u><i>[In the case of Securities with final average observation, the following applies:</i></u> "K_i (final)" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Final Observation Dates.]</p> <p><u><i>[In the case of Securities with [best][worst]-in observation, the following applies:</i></u> "K_i (final)" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each respective date (as specified in the Final Terms) between the Initial Observation Date (as specified in the Final Terms)(including) and the Last Day of the [Best][Worst] –in Period (including)].]</p> <p><u><i>[In the case of Securities with [best][worst]-out observation, the following applies:</i></u> "K_i (final)" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each respective date (as specified in the Final Terms) between the First Day of the [Best][Worst]-out Period (as specified in the Final Terms) (including) and the Final Observation Date (including)].]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Basket Component_i</td> <td style="width: 50%; text-align: center;">Reference Price_i</td> </tr> <tr> <td style="text-align: center;"><i>[Insert]</i></td> <td style="text-align: center;"><i>[Insert]</i></td> </tr> </table>	Basket Component_i	Reference Price_i	<i>[Insert]</i>	<i>[Insert]</i>
Basket Component_i	Reference Price_i					
<i>[Insert]</i>	<i>[Insert]</i>					
C.20	Type of the underlying and description where information on the underlying can be	<p>"Underlying" means a basket with the following [shares][indices][commodities] as basket components (the "Basket Components").</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">i</td> <td style="width: 25%; text-align: center;">[ISIN]_i</td> <td style="width: 25%; text-align: center;">Basket Component_i</td> <td style="width: 25%; text-align: center;">Website_i</td> </tr> </table>	i	[ISIN]_i	Basket Component_i	Website_i
i	[ISIN]_i	Basket Component_i	Website_i			

found		[Insert consecutive number i]	[Insert]	[Insert]	[Insert]
For further information about [the Basket Components and] the past and the future performance of the Basket Components and their volatility, please refer to the Website _i , as specified in the table above.					

D. RISKS

D.2	Key information on the key risks that are specific to the Issuer	<p><i>Potential investors should be aware that in the case of the occurrence of one of the below mentioned risk factors the securities may decline in value and that they may sustain a total loss of their investment.</i></p> <ul style="list-style-type: none"> • Macroeconomic Risk Risks from a deterioration in the macroeconomic development and/or the financial markets and from geopolitical uncertainties • Systemic Risk Risks from disruptions or the functional collapse of the financial system or parts of it • Credit Risk (i) Risks from changes in the credit rating of a contracting party (borrower, counterparty, issuer or country); (ii) Risks from a deterioration of the overall economic situation and negative effects on the demand for credit and the solvency of the borrowers of HVB Group; (iii) Risks from a decrease in value of credit collateral; (iv) Risks from derivative/trading business; (v) Risks from intra-Group credit exposures; (vi) Risks from exposures to sovereigns / public sector • Market Risk (i) Risk for trading and banking books from a deterioration in market conditions; (ii) Interest rate and foreign currency risk • Liquidity Risk (i) Risk that the bank will not be able to meet its payment obligations in full or on time; (ii) Risks from the procurement of liquidity; (iii) Risks from intra-Group liquidity transfers; (iv) Market liquidity risk • Operational Risk (i) Risk of losses resulting from flawed internal processes or systems, human error or external events; (ii) IT risks; (iii) Risks from fraud; (iv) Legal and tax risks; (v) Compliance risk • Business Risk Risks of losses arising from unexpected negative changes in the business volume and/or margins • Real estate Risk Risk of losses resulting from changes in the fair value of the real estate portfolio of HVB Group • Financial investment risk Risk of decreases in the value of the investment portfolio of the HVB Group • Reputational Risk Risk of a negative profit and loss effect caused by adverse reactions by
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		<p>stakeholders due to a changed perception of the bank</p> <ul style="list-style-type: none"> • Strategic Risk <p>(i) Risk that results from management being slow to recognize important developments in the banking sector or drawing false conclusions about these trends; (ii) Risks arising from the strategic orientation of HVB Group's business model; (iii) Risks arising from the consolidation of the banking market; (iv) Risks arising from changing competitive conditions in the German financial sector; (v) Risks arising from a change in HVB's rating</p> <ul style="list-style-type: none"> • Regulatory Risks <p>(i) Risks arising from changes to the regulatory and statutory environment of HVB Group; (ii) Risks in connection with potential resolution measures or a reorganisation proceeding</p> <ul style="list-style-type: none"> • Pension risk <p>Risk that the pension provider will have to provide additional capital to service the vested pension commitments</p> <ul style="list-style-type: none"> • Risks arising from outsourcing activities <p>Cross-risk-type, which affects the following risk types in particular: operational risk, reputational risk, strategic risk, business risk, credit, market and liquidity risk</p> <ul style="list-style-type: none"> • Risks from concentrations of risk and earnings <p>Risks from concentrations of risk and earnings indicate increased potential losses and represent a business-strategy risk for the Bank</p> <ul style="list-style-type: none"> • Risks from the stress testing measures imposed on HVB Group <p>The business performance of HVB Group could be negatively affected in case of a poor stress test performance by HVB, HVB Group, UniCredit S.p.A. or one of the financial institutions with which they do business</p> <ul style="list-style-type: none"> • Risks from inadequate risk measurement models <p>It is possible that the internal models of HVB and HVB Group could be rated as inadequate following investigations or verification through the regulatory authorities, or that they could underestimate existing risks</p> <ul style="list-style-type: none"> • Unidentified/unexpected risks <p>HVB and HVB Group could incur greater losses than those calculated with the current risk management methods or losses previously left out of its calculations entirely</p>
D.6	Key information on the key risks that are specific to the securities	<p>In the opinion of the Issuer, the key risks described below may, with regard to the Security Holder, adversely affect the value of the Securities and/or the amounts to be distributed (including the delivery of any quantity of Underlyings or its Components to be delivered) under the Securities and/or the ability of Security Holders to sell the Securities at a reasonable price prior to the maturity date of the Securities.</p> <ul style="list-style-type: none"> • Potential conflicts of interest <p>The risk of conflicts of interest (as described in E.4) is related to the possibility that the Issuer, distributors or any of their affiliates, in relation to certain functions or transactions, may pursue interests which may be adverse to or do not regard the interests of the Security Holders.</p> <ul style="list-style-type: none"> • Key risks related to the Securities <p><i>Key risks related to the market</i></p>

	<p>Under certain circumstances a Security Holder may not be able to sell his Securities at all or at an adequate price prior to their redemption. The market value of the Securities will be affected by the creditworthiness of the Issuer and a number of other factors (e.g., exchange rates, prevailing interest and yield rates, the market for similar securities, the general economic, political and cyclical conditions, the tradability of the Securities and Underlying-related factors) and may be substantially lower than the Nominal Amount or the Purchase Price. Security Holders may not rely on being able to sufficiently hedge against price risks arising from the Securities at any time.</p> <p><i>Key risks related to the Securities in general</i></p> <p>The Issuer may possibly fail to perform its obligations under the Securities in whole or in part, e.g., in case of an insolvency of the Issuer or due to governmental or regulatory interventions. Such risk is not protected by a deposit protection scheme or any similar compensation scheme.</p> <p>An investment into the Securities may be illegal or unfavourable for a potential investor or not suitable, with regard to his knowledge or experience and his financial needs, goals and situation.</p> <p>The real rate of return of an investment into the Securities may be reduced or may be zero or even negative (e.g., due to incidental costs in connection with the purchase, holding and disposal of the Securities, future money depreciation (inflation) or tax effects).</p> <p>The redemption amount may be less than the Issue Price or the respective purchase price and, under certain circumstances, no interest or ongoing payments will be made.</p> <p>The proceeds from the Securities may possibly not be sufficient to make interest or principal payments arising from a financing purchase of the Securities and require additional capital.</p> <p><i>Risks related to Underlying-linked Securities</i></p> <p><i>Risks arising from the influence of the Underlying or its Components on the market value of the Securities</i></p> <p>The market value of the Securities and the amounts payable under the Securities significantly depend on the price of the Underlying or its Components. It is not possible to predict the price development of the Underlying or its Components in the future. Additionally, the market value of the Securities will be affected by a number of Underlying-related factors.</p> <p><i>Risks arising from the fact that the observation of the Underlying or its Components occurs only at specified dates or times or periods</i></p> <p>Due to the fact that the observation of the Underlying or its Components may occur only at specified dates, times or periods, amounts payable under the Securities may be considerably lower than the price of the Underlying or its Components may have suggested.</p> <p><i>[In case of Worst-of Bonus Securities, the following applies: Risks related to a conditional minimum payment</i></p> <p>The Securities provide for a conditional minimum payment in connection with the redemption. The Security Holder may lose all or a substantial portion of the amount invested if the price of the Underlying or its Components develops unfavourably for the Security Holder or if the Securities are terminated, called or sold before the maturity date of the Securities.]</p> <p><i>Risks related to conditional payments: Impact of thresholds or limits</i></p> <p>The payment and/or the extent of such amounts depend on the perfor-</p>
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	<p>mance of the Underlying or its Components.</p> <p>Certain amounts only may be payable if certain thresholds or limits have been reached or if certain events have occurred.</p> <p><i>Risks related to Barrier Events</i></p> <p>If a Barrier Event [<u><i>In case of Worst-of Express Cash Collect Securities with conditional additional amount, the following applies:</i></u> or a coupon barrier event] occurs, in particular, a conditional minimum payment [<u><i>In case of Worst-of Express Securities with Additional Amount, Worst-of Cash Collect Securities and Worst-of Express Cash Collect Securities with conditional additional amount, the following applies:</i></u> and/or a conditional ongoing payment] may forfeit [<u><i>In case of Securities with physical delivery, the following applies:</i></u> Physical Settlement may occur] and the Security Holder may lose his invested capital in total or in part.</p> <p><i>Risks related to a Strike</i></p> <p>The Security Holders may participate either to a lesser extent in a favourable performance or to a greater extent in a unfavourable performance of the Underlying or its Components.</p> <p><u><i>[In case of all Securities other than Worst-of Bonus Securities, the following applies:Risks related to a Maximum Amount</i></u></p> <p>The potential return from the Securities may be limited.]</p> <p><u><i>[In case of Securities with physical delivery, the following applies Risks related to a Ratio</i></u></p> <p>A ratio may result in the Security being in economic terms similar to a direct investment in the relevant Underlying or its Components, but being nonetheless not fully comparable with such a direct investment.]</p> <p><i>Reinvestment Risk</i></p> <p>Security Holders may only reinvest the principal received due to an early repayment of the Securities to less favourable conditions.</p> <p><u><i>[In the case of Worst-of Express Securities, Worst-of Express Plus Securities, Worst-of Express Securities with Additional Amount and Worst-of Express Cash Collect Securities, the following applies: Risks related to Early Redemption Events</i></u></p> <p>The Security Holder will neither participate in the future performance of the Underlying or its Components nor be entitled to further payments under the Securities after an early redemption.]</p> <p><u><i>[In the case of Worst-of Express Securities, Worst-of Express Plus Securities, Worst-of Express Securities with Additional Amount and Worst-of Express Cash Collect Securities with consideration of a Barrier Event in connection with an Early Redemption, the following applies: Risks related to a [In the case of Worst-of Express Securities, Worst-of Express Plus Securities and Worst-of Express Securities with Additional Amount: Barrier Event] [In the case of Worst-of Express Cash Collect Securities,: coupon barrier event] in connection with an Early Redemption Event</i></u></p> <p>The Security Holder may lose the chance to receive payment of an Early Redemption Amount.]</p> <p><u><i>[Currency and Currency Exchange Rate risk with respect to the Underlying or its components</i></u></p> <p>If the Underlying or its Ccomponents are denominated in a currency other than the Specified Currency, there is a Currency Exchange Rate risk, as long as it is not excluded in the relevant Final Terms.]</p>
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	<p><i>Risks related to Adjustment Events</i></p> <p>Adjustments may have a substantial negative impact on the value and the future performance of the Securities as well as on the amounts to be distributed under the Securities. Adjustment events may also lead to an extraordinary early termination of the Securities.</p> <p><i>Risks related to Call Events</i></p> <p>Upon the occurrence of a Call Event the Issuer has the right to extraordinarily call the Securities at their market value. If the market value of the Securities at the relevant time is lower than the Issue Price or the Purchase Price, the respective Security Holder will suffer a partial or total loss of its invested capital even if the Securities provide for a conditional minimum payment.</p> <p><i>Risks related to Market Disruption Events</i></p> <p>The Calculation Agent may defer valuations and payments and make determination in its reasonable discretion. Security Holders are not entitled to demand interest due to such delayed payment.</p> <p><u><i>[In case of Securities with physical delivery, the following applies: Risks related to Physical Settlement</i></u></p> <p>The Securities might be redeemed at the maturity date of the Securities by delivery of a quantity of Underlyings or its components.]</p> <ul style="list-style-type: none"> • Key risks related to the Underlying or its components <p>General risks</p> <p><i>No rights of ownership of the Underlying or its Components</i></p> <p>The Underlying or its Components will not be held by the Issuer for the benefit of the Security Holders, and as such, Security Holders will not obtain any rights of ownership (e.g., voting rights, rights to receive dividends or other distributions or other rights) with respect to the Underlying or its Components.</p> <p><i>Risks related to the Worst-of Element</i></p> <p>Any amounts to be distributed under the Securities may be determined by reference to the price or the performance of the Basket Component with the worst/lowest performance only.</p> <p><u><i>[In case of Securities with shares or indices related to shares as Components, the following applies: Key risks related to shares</i></u></p> <p>The performance of Share-linked Securities [(i.e. Securities related to indices as Components of the Underlying and shares as index components)] depends on the performance of the respective shares, which may be subject to certain factors. Dividend payments may have an adverse effect on the Security Holder. [The holder of the depository receipts may lose the rights to the underlying shares certified by the participation certificate which may result in the depository receipts becoming valueless.]]</p> <p><u><i>[In case of Securities with indices as Components, the following applies: Key risks related to indices</i></u></p> <p>The performance of Index-linked Securities depends on the performance of the respective indices, which largely depend on the composition and the performance of their index components. The Issuer may neither have influence on the respective index nor the index concept. If the Issuer also acts as sponsor or calculation agent of the index, this may lead to conflicts of interest. In general, an index sponsor does not assume liability. Generally, an index may at any time be altered, terminated or replaced by any</p>
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		<p>successor index. Security Holders may not or only partly participate in dividends or other distributions in relation to the index components. [If the index entails a leverage factor, investors bear an enhanced risk of losses.] [Indices may include fees which negatively affect their performance.]</p> <p><u>[In case of Securities with indices related to futures contracts as Components, the following applies: Key risks related to futures contracts</u></p> <p>The performance of Futures contract-linked Securities (i.e. Securities related to indices as Components of the Underlying and futures contracts as index components) primarily depends on the performance of the respective futures contract which is subject to certain influencing factors. Furthermore, prices of futures contracts may differ substantially from the spot prices.]</p> <p><u>[In case of Securities with commodities or indices related to commodities as Components, the following applies: Key risks related to commodities</u></p> <p>The performance of Commodity-linked Securities [(i.e. Securities related to indices as Components of the Underlying and commodities as index components)] is depending on the performance of the respective commodity, which is subject to certain influencing factors. An investment in commodities is associated with higher risks than investments in other asset classes. The trading on a global basis almost non-stop in various time zones may lead to different prices in different places, which are not all relevant for the calculation of the Securities.]</p> <p>The Securities are not capital protected. Investors may lose the value of their entire investment or part of it.</p>
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E. OFFER

E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks	Not applicable; the net proceeds from each issue of Securities will be used by the Issuer for its general corporate purposes, i.e. making profit and/or hedging certain risks.
E.3	Description of the terms and conditions of the offer	<p>[Day of the first public offer: <i>[Insert]</i>]</p> <p>[Start of the new public offer: <i>[Insert]</i> [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]</p> <p>[The Securities are [initially] offered during a Subscription Period[, and continuously offered thereafter]. Subscription Period: <i>[Insert start date of the subscription period]</i> to <i>[Insert end date of the subscription period]</i>[(both dates included)].]</p> <p>[A public offer will be made in [France][,] [and] [Italy] [,] [and] [Luxembourg][,] [and] [Poland] [and the Czech Republic].]</p> <p>[The smallest transferable unit is <i>[Insert]</i>.]</p> <p>[The smallest tradable unit is <i>[Insert]</i>.]</p> <p>[The Securities will be offered to [qualified investors][,] [and/or] [retail investors] [and/or] [institutional investors] [by way of [private placements] [public offerings]] [by financial intermediaries].]</p> <p>[As of the [day of the first public offer] [start of the new public offer] the</p>

		<p>Securities described in the Final Terms will be offered on a continuous basis.]</p> <p>[The continuous offer will be made on current ask prices provided by the Issuer.]</p> <p>[The public offer may be terminated by the Issuer at any time without giving any reason.]</p> <p>[No public offer occurs. The Securities shall be admitted to trading on an organised market.]</p> <p>[Application to listing [will be] [has been] made as of [Insert expected date] on the following markets: [Insert relevant market(s)].]</p> <p>[The Securities are already traded on the following markets: [Insert relevant market(s)].]</p>
E.4	Any interest that is material to the issue/offer including conflicting interest	<p>Any distributors and/or its affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, any of such distributors and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.</p> <p>[With regard to trading of the Securities the Issuer has a conflict of interest being also the Market Maker on the [Insert relevant regulated or other equivalent market(s)]; [moreover] [[T][t]he [Insert relevant regulated or other equivalent market(s)] is organized and managed by [Insert name], a company in which UniCredit S.p.A. – the Holding Company of UniCredit Bank AG as the Issuer – has a stake in.] [The Issuer is also the arranger and the Calculation Agent of the Securities.] [The Issuer or any of their affiliates may act as a calculation agent or paying agent.]</p> <p>Besides, conflicts of interest in relation to the Issuer or the persons entrusted with the offer may arise for the following reasons:</p> <ul style="list-style-type: none"> • The Issuer specifies the Issue Price. • The Issuer and one of its affiliates act as Market Maker of the Securities (however, no such obligation exists). • Distributors may receive inducements from the Issuer. • The Issuer, any Distributor and any of their affiliates act as Calculation Agent or Paying Agent in relation to the Securities. • From time to time, the Issuer, any Distributor and any of its affiliates may be involved in transactions on their own account or on the account of their clients, which affect the liquidity or the price of the Underlying or its components. • The Issuer, any Distributor and its affiliates may issue securities in relation to the Underlying or its components on which already other securities have been issued. • The Issuer, any Distributor and any of its affiliates may possess or obtain material information about the Underlying or its components (including publicly not accessible information) in connection with its business activities or otherwise. • The Issuer, any Distributor and any of their affiliates may engage in business activities with the issuer of the Underlying or its components, its affiliates, competitors or guarantors. • The Issuer, any Distributor and any of their affiliates may also act as a

		<p>member of a syndicate of banks, as financial advisor or as bank of a sponsor or issuer of the Underlying or its components.</p> <ul style="list-style-type: none"> • [The Issuer or one of its affiliates acts as index sponsor, index calculation agent, index advisor or index committee.]
E.7	Estimated expenses charged to the investor by the Issuer or the distributor	<p>[Selling Concession: [An upfront fee in the amount of <i>[Insert]</i> is included in the Issue Price.] <i>[Insert details]</i>]</p> <p>[Other Commissions: <i>[Insert details]</i>]</p> <p>[Not applicable. No such expenses will be charged to the investor by the Issuer or a distributor. However, other charges like custody fees or transaction fees might be charged.]</p>

ANNEX TO THE SUMMARY

[WKN] [ISIN] (C.1)	[Final Observation Date[s] (C.16)]	Maturity Date (C.16)	[Observation Date (k) (C.16)]	[Observation Date (m) (C.16)]	[Early Maturity Date (k) (C.16)]
<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>

RISK FACTORS

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

In the following, any reference to amounts distributed under the Securities shall, in the case of Securities with physical delivery of the Underlying or its Components, as specified in the Final Terms, also include any amounts or quantities of the Underlying or its Components to be delivered to the Security Holders under the Securities.

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

Potential investors should consider all information provided in (a) this Base Prospectus and in any supplements thereto, (b) the registration document of UniCredit Bank AG dated 22 April 2016 (the "Registration Document"), the information of which is incorporated herein by reference, (c) all documents the information of which is incorporated in the Base Prospectus by reference, and (d) the relevant Final Terms. An investment in the Securities is only suitable for investors, who understand the nature of such Securities and the extent of the incorporated risk and who have sufficient knowledge, experience and access to professional advisors (including their financial, legal and tax advisors) in order to form their own legal, tax and financial opinion upon the existing risks in relation to the Securities. Furthermore, potential investors should be aware that the risks described below may arise separately or cumulatively in combination with other risks and may possibly have mutually reinforcing effects. The order of the risks described below does not imply any statement about the likelihood of occurrence of each risk or the degree of influence of such risk factor on the value of the Securities.

"Security Holder" means the holder of a Security.

In the opinion of the Issuer, the significant risks described below may adversely affect the value of the Securities and/or the amounts to be distributed (including the delivery any quantity of the Underlying or its Components to be delivered) under the Securities and/or the ability of Security Holders to sell the Securities at a reasonable price prior to the maturity date of the Securities:

A. Risks related to the Issuer

The risk factors related to the Issuer included in the Registration Document of UniCredit Bank AG dated 22 April 2016 are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 166 et seq.

Potential investors should consider the information within the section entitled "Risk Factors" of the Registration Document. This section contains information on risks which may affect the assets, liabilities and the financial position of the Issuer and its ability to fulfil its obligations arising from the Securities.

B. Risks related to potential conflicts of interest

1. General potential conflicts of interest

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

Potential conflicts of interest related to the Issue Price

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

Potential conflicts of interest related to market maker activities

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

Potential conflicts of interest related to Distributors and inducements

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

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

The Issuer, any Distributor or any of their affiliates may act as a calculation agent or paying agent in relation to the Securities. In this function, the relevant entity may, *inter alia*, calculate amounts to be distributed under the Securities and make adjustments or other determinations, as described in the Final Terms, by i.e. exercising reasonable discretion (§ 315 German Civil Code, *Bürgerliches Gesetzbuch*, "**BGB**"). The aforementioned calculations, adjustments and determinations may adversely influence the value of, and/or the amounts to be distributed under the Securities and may be adverse to the interests of the respective Security Holder.

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

The Securities are linked to the performance of a basket (the "**Underlying**") consisting of basket components (the "**Basket Components**"). The term "**Components**" comprises Basket Components as well as, in the case of an index as Basket Component, the components of the index. In this context, the following additional conflicts of interest may exist:

Potential conflicts of interest related to additional transactions

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

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

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

Potential conflicts of interest related to Underlying-related information

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

Potential conflicts of interest related to business activities

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

Potential conflicts of interest related to other functions of the Issuer

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

C. Risks related to the Securities

1. Risks related to the market

Risk that no active trading market for the Securities exists

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

The Issuer is not obliged to make applications for the Securities to be admitted to the regulated market of any stock exchange or to be listed on any other exchange, market or trading system within the European Economic Area. Even if the Issuer makes such application, there is no assurance that such applications will be accepted or that an active trading will develop or be maintained. If the Securities are not traded on any stock exchange or any other market or trading system, pricing information for the Securities may in addition be more difficult to obtain.

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

Neither the Issuer nor any Distributor can therefore assure that a Security Holder will be able to sell his Securities at an adequate price prior to their redemption. Even in the case of an existing Secondary Market it cannot be excluded that the Security Holder may not be in a position to dispose of the Securities in the case of an unfavourable development of the Underlying or its Components or of a Currency Exchange Rate, e.g. if such development occurs outside of the trading hours of the Securities.

Risk related to a possible repurchase of the Securities

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

Risk related to the offering volume

The issue volume described in the Final Terms does not allow any conclusion on the volume of the Securities actually issued or outstanding at any time and thus on the liquidity of a potential Secondary Market.

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

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

Risks related to market value-influencing factors

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

Risks related to the spread between bid and offer prices

During extraordinary market situations or the occurrence of technical disruptions, the Market Maker for the Securities may temporarily suspend the quotation of bid and offer prices for the Securities or increase the spread between bid and offer prices. Should the Market Maker in special market situations be unable to conclude transactions to hedge against price risks resulting from the Securities, or when such transactions are very difficult to conclude, the spread between the bid and offer prices may be expanded in order to limit its economic risk.

Currency and Currency Exchange Rate risk with respect to the Securities

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

Currency Exchange Rate risk

Exchange rates between currencies (the "**Currency Exchange Rates**") are determined by factors of supply and demand in the international currency markets and are influenced by macro-economic factors, speculations and interventions by the central banks and governments as well as

by political factors (including the imposition of currency controls and restrictions). In addition there are other factors (e.g. psychological factors) which are almost impossible to predict, (e.g. a crisis of confidence in the political regime of a country) and which also may have a material impact on a Currency Exchange Rate. Currencies may be very volatile. There may be an increased risk in connection with currencies of countries whose standard of development is not comparable to the standard of the Federal Republic of Germany or of other industrialized countries (the "**Industrialized Countries**"). In the case of any irregularities or manipulations in connection with the fixing of Currency Exchange Rates, this may have a material adverse effect on the Securities.

Risks related to hedging transactions with respect to the Securities

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

2. Risks related to the Securities in general

Credit risk of the Issuer

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

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

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

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

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

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

- have sufficient knowledge and experience in financial and business affairs to evaluate the merits and risks as well as the suitability of an investment in structured securities;
- have the ability to evaluate the merits and risks in the context of their financial situation on the basis of appropriate analytical tools or, in case of lack of knowledge, have the possibility to take respective professional advice; and

- are able to bear the economic risk of an investment in structured securities for an indefinite period.

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

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

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

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

As a reaction to the financial market crisis which begun in 2007, the European and the German legislator enacted or planned several directives, regulations and laws which might affect the Security Holders. In particular, Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**Resolution Directive**") and the law for the recovery and resolution of institutions and financial groups (German Recovery and Resolution Act, *Sanierungs- und Abwicklungsgesetz*) implementing the Resolution Directive into national German law contain additional or amended regulatory provisions which may affect the Issuer and the Securities issued. Besides, the Regulation (EU) No. 806/2014 of the European Parliament and the Council of 15 July 2014 establishing uniform rules and a uniform mechanism for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (the "**SRM Regulation**"), provides certain resolution tools.

The German Recovery and Resolution Act and the SRM Regulation provide tools which enable the competent supervisory or resolution authorities to restructure or dissolve credit institutions and investment firms if there is a potential default risk regarding the respective credit institution or investment firm and provided that the default risk may not be prevented by other effective means and the application of the tool serves the public interest. These resolution tools, in accordance with the Resolution Directive, include among others a "bail-in" instrument enabling the competent resolution authority to convert relevant capital instruments or certain eligible liabilities into shares or common capital tier 1 capital instruments or to write them down in whole or in part. By suspension, modification and termination (in whole or in part) of the rights under the Securities, the resolution tools may materially affect the rights of the Security Holders. The extent, to which the claims resulting from the Securities forfeit due to the "bail-in" instrument, depends on a number of factors, on which the Issuer potentially has no influence.

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

With respect to insolvency proceedings opened on or after 1 January 2017, § 46f of the German Banking Act (*Kreditwesengesetz*, the "**KWG**") provides that, in the case of an insolvency proceeding of the Issuer, claims from certain (also already issued) unsecured debt securities (such as bearer bonds) are deemed subordinated to other unsecured claims against the Issuer, unless a subordination is not otherwise agreed or prescribed by law. Debt instruments with derivative redemption

or interest payment (other than an exclusive dependence of the payment on a fixed or variable reference interest rate) or with a settlement in ways other than monetary payment shall not be comprised in principle. As yet there is no practical experience with respect to the scope of the provision it cannot be ruled out that as a result of this subordination in a liquidation scenario a "bail-in" instrument may be applied to the Securities before this resolution measure is applied to other unsecured obligations, and Security Holders must, with respect to the distribution of proceeds in an insolvency proceeding of the Issuer, expect a substantial deterioration of their quota.

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

The German Act on the Ring-Fencing of Risks and for the Wind-Down of Credit Institutions and Financial Groups (*Gesetz zur Abschirmung von Risiken und zur Sanierung und Abwicklung von Kreditinstituten und Finanzgruppen - Trennbankengesetz*) incorporates provisions into the KWG providing that, even without the occurrence of a resolution or recovery event, credit institutions may be obliged to transfer positions which are regarded by the legislator as being "risk inherent" to a legally and financially independent financial trading institution if having reached certain thresholds (separation of banking activities). Furthermore, the competent authority may, from 1 July 2016 on, prohibit the Issuer from having further types of activities being carried out by specific institutions in order to avoid risks. The claims of the Security Holders may be negatively affected thereby including, in particular, that the Issuer as initial debtor of the Securities may be replaced by another debtor (who may have a completely different risk tolerance or creditworthiness than the Issuer). Alternatively, the claims may continue to be towards the Issuer, however, the situation with regard to the debtor's assets, business activity and/or creditworthiness may not necessarily be the same as before the transfer order. It is planned that pursuant to the Regulation of the European Parliament and of the Council on structural measures improving the resilience of EU credit institution, which are considered to be systemically important, shall be restricted by the competent authorities with regard to their business activities, including a prohibition of proprietary trading and the separation of certain trading activities. The draft of this regulation has been published by the European Commission on 28 January 2014. This could in the future - in comparison to the *Trennbankengesetz* - have further impairments in relation to the Issuer's ability to meet its obligations under the Securities.

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

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

It is generally not or only partly possible to predict future market turmoil, regulatory measures and further legislative projects.

Risks related to debt financing the purchase of the Securities

If the purchase of the Securities will be financed by uptake of foreign funds, the proceeds from the Securities may possibly not be sufficient to make interest or principal payments arising from a financing purchase of the Securities and require additional capital. Therefore, in such a case, potential investors should make sure in advance that they can still pay the interest and principal payments on the loan also in the event of a decrease of value or a payment delay or default with re-

gard to the Securities. The expected return should be set higher since the costs relating to the purchase of the Securities and those relating to the loan (interest, redemption, handling fee) have to be taken into account.

Risks related to Incidental Costs

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

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

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

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

Inflation risk

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

Risks related to taxation

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

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

Risk related to Securities with subscription period

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

right, in its sole discretion, to reject subscription orders from potential investors in whole or in part.

Risks related to the Redemption Amount

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

Risks arising from missing ongoing payments

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

3. Risks related to Underlying-linked Securities

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

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

The market value of Underlying-linked Securities will in addition to the risks described in *Risks related to market value-influencing factors* be influenced by a number of additional factors.

The market value of the Securities as well as the amounts distributable under the Securities primarily depend on the price of the Underlying or its Components, as the case may be. It is not possible to predict how the price of the Underlying or its Components will develop in the future. The market value of the Securities may be subject to substantial fluctuations, since it will primarily be influenced by changes in the price of the Underlying or its Components. The price of the Underlying or its Components may also depend on a number of inter-related factors, including cyclical, economic, financial and political events and their general effect on capital markets and on the relevant stock exchanges.

Whilst the market value of the Securities is linked to the price of the Underlying or its Components and may be adversely influenced by it, not any change may be equally influencing. There may also be disproportionate changes in the value of the Securities. The value of the Securities may fall while at the same time the price of the Underlying or its Components may increase in value.

In addition, the market value of the Securities *inter alia* is influenced by the variations in the intensity of the fluctuation of values (volatility) of the Underlying or its Components, the interference (correlation) between various Components of the Underlying, if any, and changes in the expected and actual dividend or other payments under the Underlying or its Components. Moreover, even the failure of an expected change in the price of the Underlying or its Components may adversely affect the market value of the Securities. These factors can reinforce or negate each other.

Risks arising from the fact that the observation of the Underlying or its Components occurs only at specified dates or times or periods

The amounts to be distributed under the Securities may be considerably lower than the price of the Underlying or its Components may have suggested. The observation of the price of the Underlying

or its Components relevant for the calculation of amounts to be distributed under the Securities only occurs on one or more dates or during a specified period, as specified in the relevant Final Terms. In addition, in the Final Terms may be specified that for an observation of the price of the Underlying or its Components only a certain point of time is relevant. Any prices of the Underlying or its Components favourable for the relevant Security Holder that are outside of these dates, times or periods, will not be regarded. In particular, at a high volatility of the Underlying or its Components, this risk can significantly increase.

Risks related to a conditional minimum payment

If the Final Terms provide for a conditional minimum payment on the maturity date of the Securities (in case of *Worst-of Bonus Securities*), such minimum payment will not be made if (i) the price of the Underlying or its Components develops so unfavourably for the Security Holder that a Barrier Event occurs, or (ii) – even if such a specific event has not yet occurred, i.e. the conditions for the conditional payment are still fulfilled – where the Securities are terminated, called or sold before their maturity date. Then, the actual Redemption Amount (case (i)) or the Termination Amount, Cancellation Amount or selling price of the Securities (case (ii)) may be significantly lower than such conditional minimum payment or may even be zero and the Security Holder may lose all or a substantial portion of the amount invested.

Risks related to conditional payments: Impact of thresholds or limits

In case where the conditional payment of amounts is specified in the Final Terms, the payment and/or the extent of such amounts depend on the performance of the Underlying or its Components. Potential investors should be aware that in case of an unfavourable performance of the Underlying or its Components no payment of any conditional amount may occur or that any amount may also be very low or even zero or that the payment of a conditional amount may irretrievably lapse for the remaining term of the Securities.

If specified in the Final Terms, certain amounts only may be payable if certain thresholds or limits have been reached or if certain events have occurred which in turn depend on having reached a threshold or limit (e.g. Final Redemption Event). If the respective threshold or limit, as specified in the Final Terms, has not been reached or if the event has not occurred, the respective Security Holder is not entitled to receive the amount specified in the Final Terms. Thresholds or limits may in particular have a significant influence on the market value of the Securities and amounts to be distributed under the Securities. Investors should only invest their capital into the Securities if they completely understood the mechanism of the applicable pay-out formula.

Risks related to Barrier Events

If a barrier event (the "**Barrier Event**"), as specified in the Final Terms, occurs, in particular, a conditional minimum payment may be forfeit, Physical Settlement may occur (as described in *Risks related to Physical Settlement*) and the Security Holder may lose his invested capital in total or in part. The occurrence of a Barrier Event depends on the performance of the Underlying or its Components.

In the case of *Worst-of Express Securities with Additional Amount*, *Worst-of Cash Collect Securities* and *Worst-of Express Cash Collect Securities* with Additional Amount and with consideration of a Barrier Event (including a coupon barrier event in case of *Worst-of Express Cash Collect Securities*), the occurrence of the Barrier Event or coupon barrier event may, if so specified in the Final Terms, trigger the lapse of the chance to receive payment of Additional Amounts even if an Additional Amount Payment Event occurs after the occurrence of the Barrier Event or coupon barrier event.

The risk that a Barrier Event occurs depends on whether the Final Terms provide for a date-related barrier observation or a continuous barrier observation. A continuous barrier observation may even increase the risk of an occurrence of a Barrier Event. The risk of the occurrence of a Barrier Event increases as closer the underlying barrier (which may also lie at or above the initial price of the Basket Components) lies to the current price of the Underlying or its Components. The risk

also depends on the length of the respective barrier observation period, on the number of dates on which the Barrier Event may occur and on the volatility of the Underlying or its Components.

Risks related to a Strike

A strike (the "**Strike**"), as specified in the Final Terms, can lead to the Security Holders participate either to a lesser extent in a favourable performance of the Underlying or its Components or to a greater extent in an unfavourable performance of the Underlying or its Components. The Strike may be a threshold at which the Securities participate in the development of the price of the Underlying or its Components and/or may, as a mathematical factor within the payment formula, lead to a reduced payment to the Security Holders. **Security Holders may potentially be exposed to an increased risk of loss of their invested capital.**

Risks related to a Maximum Amount

A maximum amount (the "**Maximum Amount**"), as specified in the Final Terms (in the case of all Securities other than *Worst-of Bonus Securities*), has the consequence that the potential return from the Securities is limited in contrast to a direct investment in the Underlying or its Components. A participation in a favourable performance of the Underlying or its Components beyond the Maximum Amount is excluded.

Risks related to a Ratio

A ratio (the "**Ratio**"), as specified in the Final Terms (in case of Securities with physical delivery), may result in the Security being in economic terms similar to a direct investment in the relevant Underlying or its Components, but being nonetheless not fully comparable with such a direct investment. In respect of the Security Holders, the application of a Ratio may result in a reduced participation in a favourable development of the Underlying or its Components or in an increased participation in an unfavourable development of the Underlying or its Components, as the case may be.

Reinvestment Risk

The Security Holders are exposed to the risk that they may only reinvest the principal received due to an early repayment of the Securities to less favourable conditions.

Risks related to Early Redemption Events

If an Early Redemption Event (the "**Early Redemption Event**") is specified in the Final Terms (in the case of *Worst-of Express Securities*, *Worst-of Express Plus Securities*, *Worst-of Express Securities with Additional Amount* and *Worst-of Express Cash Collect Securities*), the Securities will be automatically early redeemed by payment of an early redemption amount (the "**Early Redemption Amount**"), as specified in the Final Terms, if an Early Redemption Event occurs. The Early Redemption Amount may be below the Issue Price or Purchase Price in which case the Security Holder would suffer a partial loss of his invested capital even if the Securities provide for a conditional minimum payment. The occurrence of an Early Redemption Event depends on the performance of the Underlying or its Components. In this case, the Security Holder will neither participate in any future favourable performance of the Underlying or its Components nor be entitled to further payments under the Securities after an early redemption. Furthermore, the Security Holder is exposed to a reinvestment risk.

Risks related to a Barrier Event in connection with an Early Redemption Event

In the case of *Worst-of Express Securities*, *Worst-of Express Plus Securities*, *Worst-of Express Securities with Additional Amount* and *Worst-of Express Cash Collect Securities* with consideration of a Barrier Event (including a coupon barrier event), the occurrence of the Barrier Event (including a coupon barrier event) may, if so specified in the Final Terms, trigger the lapse of the chance to receive payment of an Early Redemption Amount even if an Early Redemption Event occurs after the occurrence of the Barrier Event (including a coupon barrier event). In this case, the Securities will continue to participate in any possibly unfavourable performance of the Underlying or its Components until the maturity date of the Securities.

Currency and Currency Exchange Rate risk with respect to the Underlying or its Components

If the Underlying or its Components are denominated in a currency other than the Specified Currency, there is a Currency Exchange Rate risk (as described in *Currency Exchange Rate risk*), as long as it is not excluded in the relevant Final Terms. Currencies may also be devalued or replaced by a different currency whose development cannot be predicted.

Risks related to Adjustment Events

In the case of the occurrence of an adjustment event (the "**Adjustment Event**"), as specified in the Final Terms, the calculation agent is entitled to carry out adjustments according to the Final Terms in its reasonable discretion (§ 315 BGB) and/or to replace the Underlying or its Components, as the case may be. Although these adjustments aim at retaining the economic situation of the Security Holders unchanged to the largest extent possible, it cannot be guaranteed that such an adjustment only leads to a minimal negative economic impact. Adjustment Events may have a substantial negative impact on the value and the future performance of the Securities as well as on the amounts to be distributed under the Securities and can change the structure and/or the risk profile of the Securities. If such adjustment in accordance with the Final Terms are impossible or not reasonable for the Issuer and/or the Security Holders, the Issuer may call the Securities and redeem them at their market value. As a result, the Security Holder is exposed to the risks as described in *Risks arising from Call Events*.

Risks related to Call Events

The Issuer has the right to extraordinarily call the Securities at their market value upon the occurrence of a call event (the "**Call Event**"), as specified in the Final Terms. If the market value of the Securities at the relevant time is lower than the Issue Price or the Purchase Price, the respective Security Holder **will suffer a partial or total loss of its invested capital, even if the Securities provide for a conditional minimum payment**. Furthermore, the Security Holder bears the risk that the expectations for an increase in the market value of the Securities will no longer be met because of such extraordinary early termination. In this case, the Security Holder is also exposed to a reinvestment risk.

Risks related to Market Disruption Events

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

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

The Issuer may use a portion or the total proceeds from the sale of the Securities on transactions to hedge against price risks of the Issuer resulting from the Securities. The entering or the liquidation of hedging transactions by the Issuer may, in individual cases, adversely affect the price of the Underlying or its Components.

Risks related to Physical Settlement

The Final Terms may specify that the Securities will be redeemed at the maturity date of the Securities either by payment of the Redemption Amount or by delivery of a quantity of the Underlying or its Components (the "**Physical Settlement**"). In this case, the relevant method of settlement depends on the conditions specified in the Final Terms and the performance of the Underlying or its Components and will be determined by the relevant Calculation Agent at the end of the term of the Securities.

In the case of a Physical Settlement the market value of the quantity of Underlyings or its Components to be delivered is not known prior to the maturity date of the Securities and may be substantially below the value of the invested capital and may even be zero. In this case, the Security Holder would suffer a total or partial loss of its invested capital.

Security Holders are not entitled and the Issuer is not obliged to execute any rights from the Underlying or its Components to be delivered until they are transferred to the Security Holder.

The price of such shares may continue to develop negatively in the period from the date at which the value of the Underlyings or its Components to be delivered will be determined and such transfer and only the Security Holder bears the risk of such price movements.

All costs, incl. possible custody fees, exchange turnover taxes, stamp taxes, transaction fees, other taxes or levies, incurred as a result of the delivery of the Underlying or its Components, have to be borne by the respective Security Holder. Furthermore, upon sale of the Underlying or its Components delivered transaction costs may arise. These fees and costs may be material and may substantially reduce the proceeds from the Securities or increase a possible loss of the Security Holder's invested capital.

Furthermore, Security Holders should not assume that they will be able to sell the quantity of Underlying or its Components delivered for a specific price, in particular not for a price corresponding to, or being greater than, the value of capital invested for the acquisition of the Securities.

The Underlying or its Components delivered may be subject to selling and transfer restrictions or may not be liquid for other reasons.

Should the delivery of Underlying of its Components become economically or actually difficult or impossible for whatever reason, the Final Terms may specify that the Issuer has the right to pay a supplemental cash amount instead.

The Underlying or its Components will be delivered at the Security Holder's own risk. This means that neither the Issuer nor the Paying Agent nor any other person or entity different to the Security Holders is liable if the Underlying or its Components get lost or destroyed during their delivery to the Security Holders.

D. Risks related to the Underlying or its Components

The Underlying is a basket whose Basket Components may be shares (including depository receipts), indices or commodities. The asset classes described below may also be the component of an index as Underlying (including, but not limited to, shares, indices, futures contracts, commodities) and thus may have an indirect influence on the Securities. These Basket Components are subject to particular risks, which must be observed.

1. General risks

Past performance no indication for a future performance

The past performance of an Underlying or its Components provides no indication of its future performance. The amounts to be distributed under the Securities may therefore be substantially lower than the price of the Underlying or its Components may in advance have suggested.

No rights of ownership of the Underlying or its Components

The Underlying or its Components will not be held by the Issuer for the benefit of the Security Holders, and as such, Security Holders will not obtain any rights of ownership (such as voting rights, rights to receive dividends or other distributions or other rights) with respect to the Underlying or its Components. Security Holders have no right to receive dividend or other payments. Unless not specified otherwise in the relevant Final Terms, the Securities are linked to the price development of the Underlying or its Components and there will be no compensatory consideration of dividends and other payments of the Underlying or its Components. Neither the Issuer nor any of its affiliates is obliged to acquire or hold the Underlying or its Components. Neither the Issuer nor any of its affiliates is restricted from selling, pledging or otherwise conveying all rights,

titles and interests in the Underlying or its Components or any derivative contracts linked to it by virtue solely of having issued the Securities.

Risks associated with foreign jurisdictions

If the Underlying or any of its Components is subject to the jurisdiction of a country whose legal system is not comparable with the legal system of the Federal Republic of Germany or other Industrialized Countries, investing in such Securities involves further legal, political (e.g. political changes) and economical (e.g. economic downturns) risks. In foreign jurisdictions possibly expropriation, taxation equivalent to confiscation, political or social instability or diplomatic incidents may occur. The amount of publicly available information with respect to the Underlying or any of its components may be smaller than that normally made available to Security Holders. Transparency requirements, accounting, auditing and financial reporting standards as well as regulatory standards may in many ways be less strict than in Industrialized Countries. Financial markets in these countries may have much lower trading volumes than developed markets in Industrialized Countries and the securities of many companies are less liquid and their prices are subject to stronger fluctuations than those of similar companies in Industrialized Countries.

Risks related to the purchase of Securities for hedging purposes

The Securities may not be a perfect hedge against price risks arising from the Underlying or its Components. Any person intending to use the Securities to hedge against such price risks is subject to the risk that the price of the Underlying or its Components, other than expected, develops in the same direction as the value of the Securities. In addition, it may not be possible to liquidate the Securities at a certain date at a price which reflects the actual price of the respective Underlying or its Components. This particularly depends on the prevailing market conditions. In both cases, the Security Holder may suffer a loss from both, his investment in the Securities and his investment in the Underlying or its Components, whose risk of loss he actually wanted to hedge.

Risks related to the Worst-of Element

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

2. Risks related to shares

Similar risks to a direct investment in shares

The performance of Securities linked to shares (including Depository Receipts, as defined below) (the "**Share-linked Securities**") primarily depends on the performance of the respective share. The performance of a share may be subject to factors like the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the issuer of the share, short selling activities and low market liquidity as well as to cyclical, macro-economic or political influences. In particular, dividend payments lead to a fall in the share price and, therefore, may have an adverse effect on the Security Holder and its investment in the Securities. Accordingly, an investment in Share-linked Securities may bear similar risks to a direct investment in the respective shares. Corporate actions and other events in relation to the share or the issuer of the share may result in adjustments to the Securities (as described in *Risks related to Adjustment Events*) or in an extraordinary early termination of the Securities (as described in *Risks related to Call Events*). Disruptions regarding the trading of the shares may lead to Market Disruption Events (as described in *Risks related to Market Disruption Events*).

Risks related to Depository Receipts

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

3. Risks related to indices

Similar risks to a direct investment in index components

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

No influence of the Issuer on the index

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

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

Risks arising from special conflicts of interests in relation to indices

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

Risks related to Strategy Indices

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

Risks related to Price Indices

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

Risks related to Net Return Indices

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

Risks related to Short Indices

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

Risks related to Leverage Indices

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

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

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

Risks related to Distributing Indices

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

Risks related to Excess Return Indices

In the case of Excess Return Indices, the investor indirectly invests in futures contracts and thus is exposed to the same risks as described in *Risk related to futures contracts*.

Risks in relation to country or sector related indices

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

Currency risk contained in the index

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

Adverse effect of fees on the index level

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

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

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

Risks of unrecognized or new indices

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

Because of the proposal for a Regulation of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts, in the future, certain regulatory requirements may apply to certain persons related to indices, such as an index sponsor, an index calculation agent, or an issuer of securities. As a result, in the future, indices underlying the Securities may not be available for the entire term of the Securities or only to changed conditions. This may have a negative effect on the amounts payable under the Securities and on their value.

4. Risks related to futures contracts

Similar risks to a direct investment in futures contracts

The performance of Securities linked to futures contracts (as Index Component) (the "**Futures contract-linked Securities**") primarily depends on the performance of the respective futures contract. The performance of a futures contract may be subject to factors like the price of the trading

good underlying the futures contract, limited liquidity of the futures contract or the trading good underlying the futures contract, as the case may be, speculations and cyclical, macro-economic or political influences. Accordingly, an investment in Futures contract-linked Securities may bear similar risks to a direct investment in the respective futures contracts or trading goods underlying the respective futures contract (see also the risks as described in *Risks related to commodities*).

Futures contracts are standardised transactions

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

No parallel development of spot and futures prices

Prices of futures contracts may differ substantially from the spot prices of the underlying trading goods. The price of the futures contract does not always develop in the same direction or at the same rate as the spot price of the underlying trading good. As a result, the price of the futures contract may substantially develop unfavourably for Security Holders even if the spot price of the underlying trading good remains constant or develops favourably for Security Holders.

Risks related to futures contracts with different delivery dates

The prices of futures contracts with different delivery dates and overlapping terms can differ, even if all other contract specifications are identical. If the prices of longer-term futures contracts are higher than the prices of the shorter-term futures contracts this is called 'contango'. If the prices of shorter-term futures contracts are higher than the prices of the longer-term futures contracts this is called 'backwardation'. These price differences may have an adverse effect on the value of the Securities and the amounts to be distributed under the Securities since the future with a favourable price for the Security Holder may not be relevant for the Securities.

Risks with respect to a Roll-Over

In order to trade futures contracts on an exchange, they are standardised with respect to their term (e.g. 3, 6, 9 months). This may require a subsequent replacement of the futures contracts by futures contracts, which have a later delivery date, but otherwise has identical contract specifications as the initial futures contract (the "**Roll-Over**"). Such a Roll-Over can be repeated several times. Differences in the prices of the futures contract (as described in *Risks related to futures contracts with different delivery dates*) together with the related transaction costs may be compensated by a respective adjustment (e.g. of the rate at which the respective Security directly or indirectly participates in the performance of the underlying futures contract). Therefore, over time Securities may participate to a greater extent in an unfavourable underlying future's performance for the respective Security Holder or to a lesser extent in an favourable underlying future's performance for the respective Security Holder

5. Risks related to commodities

Similar risks as a direct investment in commodities

The performance of Securities linked to commodities (the "**Commodity-linked Securities**") primarily depends on the performance of the respective commodity. The performance of a commodity may be subject to factors like supply and demand; speculations in the financial markets; production bottlenecks; delivery difficulties; hardly any market participants; political turmoil; economic downturns; political risks (exporting restrictions, war, terrorist actions); unfavourable weather conditions; natural disasters. Changes in the trading conditions at the relevant reference market or other events, affecting the commodity may result in adjustments to the Securities (as described in *Risks related to Adjustment Events*) or in an extraordinary early termination of the Securities (as

described in *Risks related to Call Events*). Disruptions regarding the trading of the commodities may lead to Market Disruption Events (as described in *Risks related to Market Disruption Events*).

Higher risks than other asset classes

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

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

Commodities (e.g. oil, gas, wheat, corn, gold, silver) are traded on a global basis almost non-stop in various time zones on different specialised exchanges or markets or directly among market participants (over the counter). This may lead to a publication of different prices for a commodity in different price sources. The Final Terms specify which exchange or market and which timing apply regarding the specification of the price of the relevant commodity. The prices of a commodity displayed at the same time on different price sources can differ e. g. with the result that a more favourable price, which is displayed on a price source, is not used for the calculations or determinations in respect of the Securities.

RESPONSIBILITY STATEMENT

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

CONSENT TO THE USE OF THE BASE PROSPECTUS

If the Issuer consents to the use of the Base Prospectus, consent shall be given to the extent and the conditions as set out in the Final Terms during the term of its validity pursuant to § 9 WpPG. The Issuer reserves the right not to give its consent.

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

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

Such consent can be given in relation to the following member states, in which the Base Prospectus is valid or into which it has been notified as specified in the Final Terms: France, Italy, Luxembourg, Poland and the Czech Republic.

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

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

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

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

New information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms, as the case may, will be published and will be found on the website of the Issuer (or any successor website which the Issuer will publish in accordance with § 6 of the General Conditions).

DESCRIPTION OF THE ISSUER

The description of the Issuer included in the Registration Document of UniCredit Bank AG dated 22 April 2016, the audited consolidated financial statements of HVB Group as of 31 December 2014 contained in the Annual Report HVB Group 2014, the audited consolidated financial statements of HVB Group as of 31 December 2015, contained in the Annual Report HVB Group 2015, and the audited unconsolidated financial statements as of 31 December 2015, contained in the Annual Report UniCredit Bank AG (HVB) 2015 are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 166 et seq.

The unaudited Consolidated Results of HVB Group as of 31 March 2016 are included in the Interim Report at 31 March 2016 of HVB Group and are shown on page F-1 to F-26 of this Base Prospectus.

GENERAL INFORMATION ON THE SECURITIES

Features of the Securities

General

The Securities will be issued as notes or certificates with Nominal Amount, as specified in the Final Terms. The method of calculating the redemption amount of the Securities and the provisions as to whether, in cases where the Basket Components are Shares, physical delivery of such Basket Component is made, are linked to the value of a Basket Component at one or more certain dates, times or periods.

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

Product types

- Worst-of Bonus Securities (and Worst-of Bonus Classic Securities¹) (Product Type 1)
- Worst-of Bonus Cap Securities (Product Type 2)
- Worst-of Express Securities (and Worst-of Express Classic Securities¹) (Product Type 3)
- Worst-of Express Plus Securities (Product Type 4)
- Worst-of Express Securities with Additional Amount (Product Type 5)
- Worst-of Express Cash Collect Securities (Product Type 6)
- Worst-of Cash Collect Securities (Product Type 7)

Form of the Securities

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

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

The Security Holders are not entitled to receive definitive Securities.

Underlying

The Underlying of the Securities is a basket which consists of several Basket Components. Basket Components may be either Shares, Indices (each as indicated below) or commodities.

¹ In case of Previous Products, that were issued for the first time under the Base Prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst of Cash Collect Securities.

The term "**Share**" also comprises securities within the form of depository receipts (e.g., American Depository Receipts (ADRs) or Regional Depository Receipts (RDRs) (respectively "**Depository Receipts**")).

An "**Index**" may refer to assets or financial instruments of another asset category (e.g., Shares, Indices, commodities and/or futures contracts).

Index may be the Index described in the section "Description of indices composed by the Issuer or by any legal entity belonging to the same group" or another Index which is not composed by the Issuer or any legal entity belonging to the same group. Further Indices which are composed by the Issuer or any legal entity belonging to the same group of the Issuer may be included in the Base Prospectus by way of a supplement pursuant to § 16 WpPG.

The Underlying and the Basket Components will be specified in the Final Terms.

The Underlying and the Basket Components are the main influencing factor on the value of the Securities. In general, the Security Holders participate in any positive as well as in any negative performance of the Underlying and the Basket Components during the term of the Securities.

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

Term

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

Quanto elements

Non-Quanto Securities are Securities where the Currency of the Basket Components is the same as the Specified Currency. Quanto Securities are Securities where the Currency of the Basket Components is not the same as the Specified Currency and where a currency hedging element is provided. In the case of Quanto Securities, one unit of the Currency of the Basket Component corresponds to one unit of the Specified Currency. In the case of Quanto Securities with physical delivery, the quantity of the Basket Component to be delivered and/or the Supplemental Cash Amount is increased or reduced before delivery according to the exchange rate development in order to offset any exchange rate losses or gains during the term of the Securities.

Limitation of the rights

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

Upon the occurrence of one or more Call Events (the "**Call Events**"), as specified in the relevant Final Terms, the Issuer may call the Securities extraordinarily pursuant to the Final Terms and redeem the Securities at their Cancellation Amount. The "**Cancellation Amount**" is the fair market value of the Securities determined on the day specified in the relevant Final Terms by the Calculation Agent in its reasonable discretion (§ 315 BGB).

Waiver Right

If specified in the relevant Final Terms, each Security Holder has the right to waive the automatic exercise of the exercise right of the Securities held by it by submission of a duly completed waiver notice.

Governing law of the Securities

The Securities, as to form and content, and all rights and obligations of the Issuer and the Security Holder shall be governed by the laws of the Federal Republic of Germany.

Status of the Securities

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

Publications

The Base Prospectus, potential supplements and the respective Final Terms are available on the website(s) as specified in the respective Final Terms or on any successor website(s) (see below) in accordance with § 14 WpPG.

The Issuer does not intend to provide information following an issuance of Securities, unless the Terms and Conditions provide for an obligation to publish notices in certain cases. In such cases, a publication will be made on the Website(s) as specified in the Final Terms in accordance with § 6 of the General Conditions. The Issuer may replace these website(s) by any successor website(s) which again will be published by notice in accordance with § 6 of the General Conditions.

Issue Price

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

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

Pricing

The Issue Price as well as the bid and offer prices quoted by the Issuer during the term of the Securities are based on internal pricing models of the Issuer. They may contain, beside upfront and distribution fees, an expected margin for the Issuer. Generally, the margin may contain costs, which, i.a., cover the Issuer's costs for structuring the Securities, risk hedging of the Issuer and the distribution.

Selling concession or other concessions

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

Placing and Distribution

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

Admission to Trading and Listing of the Securities

The Issuer may make an application to admit the Securities to trading on a regulated or other equivalent market. In such a case the relevant Final Terms set out the regulated or other equivalent markets and the earliest date (if known) on which the Securities are or will likely be admitted to trading.

In addition, the relevant Final Terms will specify all the regulated or other equivalent markets, on which, to the knowledge of the Issuer, securities of the same class of securities are already admitted to trading.

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

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

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

Potential investors

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

Terms and conditions of the offer

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

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

Offer during a subscription period

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

Method and time limits for delivery of the Securities

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

DESCRIPTION OF THE SECURITIES

Product Type 1: Worst-of Bonus Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). However, the payment is at least equal to a Bonus Amount, if no Barrier Event has occurred.

The Bonus Amount is specified in the respective Final Terms.

In respect of their redemption, Worst-of Bonus Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to Shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement exclusively by payment of a Redemption Amount, or
- for Securities with physical delivery by cash settlement or by physical delivery of a certain quantity of the Basket Component with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

The Additional Amount (I) is specified in the respective Final Terms.

Redemption

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final)

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date. The respective Performance of the Basket Component_i (b) means K_i (b) divided by K_i (initial).

The Worst Performance (final) is the lowest performance of the Basket Component_i (final) on the Final Observation Date. The respective Performance of the Basket Component_i (final) means K_i (final) divided by K_i (initial).

K_i (initial) means:

- for Securities where K_i (initial) has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities by payment of the Redemption Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement by payment of the Redemption Amount, or
- for Securities with physical delivery by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Redemption Amount is an amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike.

However, if no Barrier Event has occurred, the Redemption Amount is not lower than the Bonus Amount.

The Strike and the Ratio_i are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and redeem the Securities early at their Cancellation Amount.

Product Type 2: Worst-of Bonus Cap Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). However, the payment is at least equal to a Bonus Amount, if no Barrier Event has occurred. However, in all cases the payment is not greater than a Maximum Amount.

The Bonus Amount and the Maximum Amount are specified in the respective Final Terms.

In respect of their redemption, Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to Shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement exclusively by payment of a Redemption Amount, or
- for Securities with physical delivery by cash settlement or by physical delivery of a certain quantity of the Basket Component_i with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

The Additional Amount (I) is specified in the respective Final Terms.

Redemption

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final).

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date (b). The respective Performance of the Basket Component_i (b) means K_i (b) divided by K_i (initial).

The Worst Performance (final) is the lowest performance of the Basket Component_i (final) on the respective Final Observation Date. The respective Performance of the Basket Component_i (final) means K_i (final) divided by K_i (initial).

K_i (initial) means:

- for Securities where K_i (initial) has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or
- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities by payment of the Redemption Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement by payment of the Redemption Amount, or
- for Securities with physical delivery:
 - if the Worst Performance (final) is equal to or greater than Cap, by payment of the Redemption Amount; or
 - if the Worst Performance (final) is lower than the Cap, by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Cap is specified in the respective Final Terms.

For Securities where the Bonus Amount is not the same as the Maximum Amount, the Redemption Amount is an amount in the Specified Currency that is equal to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike, where the Redemption Amount, however, is not greater than the Maximum Amount.

If no Barrier Event has occurred, the Redemption Amount is not lower than the Bonus Amount.

For Securities where the Bonus Amount is the same as the Maximum Amount, the Redemption Amount is an amount in the Specified Currency specified as follows:

- if no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount; or
- if a Barrier Event has occurred (not in the case of Securities with physical delivery, see above), the Redemption Amount corresponds to the Nominal Amount multiplied by Worst Performance (final) and divided by the Strike, where the Redemption Amount is not greater than the Maximum Amount.

The Strike and the Ratio_i are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Product Type 3: Worst-of Express Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances (as described below). The Early Redemption Amount (k) is specified in the respective Final Terms.

The Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to Shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement exclusively by payment of a Redemption Amount, or
- for Securities with physical delivery by cash settlement or by physical delivery of a certain quantity of the Basket Component_i with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

The Additional Amount (l) is specified in the respective Final Terms.

Automatic early redemption

If an Early Redemption Event has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k).

If in the case of Securities with consideration of a Barrier Event, a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.

For Securities without consideration of a Barrier Event, this restriction does not apply.

An Early Redemption Event means that each Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k) on the respective Observation Date (k). The Performance of the Basket Component_i (k) corresponds to $K_i(k)$ divided by $K_i(\text{initial})$.

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date (b). The respective Performance of the Basket Component_i (b) means $K_i(b)$ divided by $K_i(\text{initial})$.

Redemption as at the Maturity Date

Redemption as at the Maturity Date depends on:

- the occurrence of a Final Redemption Event and
- the occurrence of a Barrier Event, and
- the Worst Performance (final).

Final Redemption Event means that the Worst Performance (final) is equal to or greater than the Final Redemption Level.

In respect of the occurrence of a Barrier Event, see "Barrier Event" above.

The Worst Performance (final) is the lowest performance of the Basket Component_i (final) on the respective Final Observation Date. The respective Performance of the Basket Component_i (final) means $K_i(\text{final})$ divided by $K_i(\text{initial})$.

$K_i(\text{initial})$ means:

- for Securities where $K_i(\text{initial})$ has already been specified, the price of the Basket Component_i as specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or

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

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (k) means:

The Reference Price of the Basket Component_i on the respective Observation Date (k).

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or
- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities at a Redemption Amount in the Specified Currency, which:

- if a Final Redemption Event has occurred, corresponds to the Maximum Amount or
- if no Final Redemption Event has occurred, corresponds to the Final Redemption Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement, by payment of the Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike; the Redemption Amount will not be greater than the Nominal Amount; or
- for Securities with physical delivery:
 - if the Worst Performance (final) is equal to or greater than the Strike, by payment of a Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount; or
 - if the Worst Performance (final) is lower than the Strike, by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Strike, the Ratio_i, the Final Redemption Amount and the Maximum Amount are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Product Type 4: Worst-of Express Plus Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances (as described below).

The Early Redemption Amount (k) is specified in the respective Final Terms.

In respect of their redemption, the Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to Shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement exclusively by payment of a Redemption Amount, or
- for Securities with physical delivery by cash settlement or by physical delivery of a certain quantity of the Basket Component_i with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

The Additional Amount (l) is specified in the respective Final Terms.

Automatic early redemption

If an Early Redemption Event has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k).

If in the case of Securities with consideration of a Barrier Event, a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.

For Securities without consideration of a Barrier Event, this restriction does not apply.

An Early Redemption Event means that each Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k) on the respective Observation Date (k). The respective Performance of the Basket Component_i (k) corresponds to $K_i(k)$ divided by $K_i(\text{initial})$.

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date (b). The respective Performance of the Basket Component_i (b) means K_i (b) divided by K_i (initial).

Redemption as at the Maturity Date

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final).

In respect of the occurrence of a Barrier Event, see "Barrier Event" above.

The Worst Performance (final) is the lowest performance of the Basket Component_i (final) on the respective Final Observation Date. The Performance of the Basket Component_i (final) means K_i (final) divided by K_i (initial). K_i (initial) means:

- for Securities where K_i (initial) has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (k) means:

The Reference Price of the Basket Component_i on the respective Observation Date (k).

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or
- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities at a Redemption Amount in the Specified Currency, which corresponds to the Maximum Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement, by payment of the Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike; the Redemption Amount will not be greater than the Nominal Amount; or
- for Securities with physical delivery:
 - if the Worst Performance (final) is equal to or greater than the Strike, by payment of a Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount; or
 - if the Worst Performance (final) is lower than the Strike, by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Strike, the Ratio_i and the Maximum Amount are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Product Type 5: Worst-of Express Securities with Additional Amount

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). The Securities allow for the payment of an Additional Amount (m) on each Additional Amount Payment Date (m), if an Additional Amount Payment Event has occurred. In addition, the Securities allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances (as described below). The payment of the Additional Amount (m) depends on the Worst Performance (m). The payment of the Early Redemption Amount (k) depends on the Worst Performance (k).

The Early Redemption Amount (k) and the Additional Amount (m) are specified in the respective Final Terms.

In respect of their redemption, the Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to Shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement, exclusively by payment of a Redemption Amount or
- for Securities with physical delivery, by cash settlement or by physical delivery of a certain quantity of the Basket Component_i with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

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

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

In the case of Securities with Additional Amount (Memory), the following applies:

- If an Additional Amount Payment Event has occurred on any Observation Date (m), the respective Additional Amount (m) will be paid on the respective Additional Amount Payment Date (m) less all Additional Amounts paid on the preceding Additional Amount Payment Dates.
- If no Additional Amount Payment Event has occurred on the Observation Date (m), no Additional Amount (m) is paid on the respective Additional Amount Payment Date (m).

In the case of Securities with Additional Amount (Relax) without consideration of the Barrier Event, the following applies:

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

In the case of Securities with Additional Amount (Relax) with consideration of the Barrier Event, the following applies:

- If an Additional Amount Payment Event has occurred on an Observation Date (m) and no Barrier Event has occurred, the respective Additional Amount (m) is paid on the respective Additional Amount Payment Date (m).
- If no Additional Amount Payment Event has occurred on an Observation Date (m), no Additional Amount (m) is paid on the respective Additional Amount Payment Date (m).

If a Barrier Event has occurred, the option of the Additional Amount Payment (m) lapses for each following Observation Date (m).

In case of Securities with Additional Amount (l), the Additional Amount (l) will be paid in addition, whether or not the Additional Amount Payment Event has occurred on the respective Additional Amount Payment Date (l).

In the case of Early Redemption the option of the Additional Amount Payment (m) as well as Additional Amount Payment (l) (if applicable) lapses.

The Additional Amount (l) is specified in the respective Final Terms.

Automatic early redemption

If an Early Redemption Event has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k).

If in the case of Securities with consideration of a Barrier Event, if a Barrier Event has occurred, the option of automatic early redemption lapses and the Securities are redeemed on the Maturity Date.

For Securities without consideration of a Barrier Event, this restriction does not apply.

An Early Redemption Event means that each Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k) on the respective Observation Date (k).

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date (b). The respective Performance of the Basket Component_i (b) means $K_i(b)$ divided by $K_i(\text{initial})$.

Redemption as at the Maturity Date

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final).

In respect of the occurrence of a Barrier Event, see "Barrier Event" above.

The Worst Performance (final) is the lowest performance of the Basket Component_i (final) on the respective Final Observation Date. The respective Performance of the Basket Component_i (final) means $K_i(\text{final})$ divided by $K_i(\text{initial})$.

$K_i(\text{initial})$ means:

- for Securities where $K_i(\text{initial})$ has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

$K_i(b)$ means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (k) means:

The Reference Price of the Basket Component_i on the respective Observation Date (k).

K_i (m) means:

The Reference Price of the Basket Component_i on the respective Observation Date (m).

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or
- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities at a Redemption Amount in the Specified Currency, which corresponds to the Maximum Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement, by payment of the Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike; the Redemption Amount will not be greater than the Nominal Amount; or
- for Securities with physical delivery:
 - if the Worst Performance (final) is equal to or greater than the Strike, by payment of a Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount; or
 - if the Worst Performance (final) is lower than the Strike, by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Strike, the Ratio_i and the Maximum Amount are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Product Type 6: Worst-of Express Cash Collect Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). The Securities allow for the payment of an Additional Amount (k) on the respective Additional Amount Payment Date (k), if no Coupon Barrier Event has occurred (as described below). In addition, The Securities

allow for automatic early redemption at the Early Redemption Amount (k) under certain circumstances (as described below). The payment of the Early Redemption Amount (k) depends on the Worst Performance (k).

The Early Redemption Amount (k) and the Additional Amount (k) are specified in the respective Final Terms.

In respect of their redemption, the Securities may be linked to Shares as well as Indices or commodities.

Redemption as at the Maturity Date is made exclusively by payment of a Redemption Amount.

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

Interest

The Securities do not bear interest.

Additional Amount

Payment of the Additional Amount (k) depends on the non-occurrence of a Coupon Barrier Event.

A Coupon Barrier Event means:

- for Securities with continuous Barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i (k) during the Barrier Observation Period (k) in the case of continuous observation or
- for Securities with date-related Barrier observation, that any Performance of the Basket Component_i (c) on any Coupon Barrier Observation Date during the Barrier Observation Period (k) is equal to or lower than the respective Barrier Level_i(k) .

The Barrier_i (k) or the method for its determination is specified in the respective Final Terms.

The Barrier Level_i (k) is specified in the respective Final Terms.

The Worst Performance (b) is the lowest performance of the Basket Component_i (b) on the respective Barrier Observation Date (b). The respective Performance of the Basket Component_i (b) means $K_i(b)$ divided by $K_i(\text{initial})$.

The following applies:

- If no Coupon Barrier Event has occurred during the Barrier Observation Period (k) and all previous Barrier Observation Periods (k), payment of the respective Additional Amount (k) is made on the respective Additional Amount Payment Date (k).
- If a Coupon Barrier Event has occurred during the Barrier Observation Period (k), no Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) and on any following Additional Amount Payment Dates (k).

The Additional Amount (k) is specified in the respective Final Terms.

Automatic early redemption

If an Early Redemption Event has occurred, the Securities are automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k).

If in the case of Securities with consideration of a Coupon Barrier Event, a Coupon Barrier Event has occurred, the option of automatic early redemption lapses and the Worst-of Express Cash Collect Security is redeemed on the Maturity Date.

For Securities without consideration of a Coupon Barrier Event, this restriction does not apply.

An Early Redemption Event means that each Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k) on the respective Observation Date (k). The Performance of the Basket Component_i (k) corresponds to K_i (k) divided by K_i (initial).

The Early Redemption Level_i (k) is specified in the respective Final Terms.

Redemption as at the Maturity Date

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final).

A Barrier Event means:

- for Securities with continuous Barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation or
- for Securities with date-related Barrier observation, that any Performance of the Basket Component_i (b) on any Barrier Observation Date is equal to or lower than the Barrier Level_i.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level_i is specified in the respective Final Terms.

The Performance of the Basket Component_i (b) corresponds to K_i (b) divided by K_i (initial).

K_i(initial) means:

- for Securities where K_i (initial) has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i specified in the respective Final Terms.

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (k) means:

The Reference Price of the Basket Component_i on the respective Observation Date (k).

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or

- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made at a Redemption Amount in the Specified Currency that is equal to the Maximum Amount.

If a Barrier Event has occurred, redemption is made by payment of the Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike.

The Maximum Amount and the Strike are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Product Type 7: Worst-of Cash Collect Securities

General

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

Redemption on the Maturity Date depends on the Worst Performance (final). The Securities allow for the payment of an Additional Amount (k) on each Additional Amount Payment Date (k), if an Additional Amount Payment Event has occurred. The payment of the Additional Amount (k) depends on the Worst Performance (k).

The Additional Amount (k) is specified in the respective Final Terms.

In respect of their redemption, the Securities may be linked to Shares as well as Indices or commodities.

For Securities linked to shares, it may be specified that redemption as at the Maturity Date is made

- for Securities with cash settlement, exclusively by payment of a Redemption Amount or
- for Securities with physical delivery, by cash settlement or by physical delivery of a certain quantity of the Basket Component_i with the Worst Performance (final).

Securities linked to indices or commodities are always issued as Securities with cash settlement.

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

Interest

The Securities do not bear interest.

Additional Amount

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

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

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

In the case of Securities with Additional Amount (Memory), the following applies:

- If an Additional Amount Payment Event has occurred on any Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) less all Additional Amounts paid on the preceding Additional Amount Payment Dates.
- If no Additional Amount Payment Event has occurred on the Observation Date (k), no Additional Amount (k) is paid on the respective Additional Amount Payment Date (k).

In the case of Securities with Additional Amount (Relax) without consideration of the Barrier Event, the following applies:

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

In the case of Securities with Additional Amount (Relax) with consideration of the Barrier Event, the following applies:

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

If a Barrier Event has occurred, the option for payment of the Additional Amount (k) lapses for each following Observation Date (k).

In case of Securities with Additional Amount (l), the Additional Amount (l) will be paid in addition, whether or not the Additional Amount Payment Event has occurred on the respective Additional Amount Payment Date (l).

The Additional Amount (l) is specified in the respective Final Terms.

Redemption as at the Maturity Date

Redemption as at the Maturity Date depends on:

- the occurrence of a Barrier Event, and
- the Worst Performance (final).

A Barrier Event means:

- for Securities with continuous barrier observation, that any price of at least one Basket Component_i is equal to or lower than the respective Barrier_i during the Barrier Observation Period in the case of continuous observation, or
- for Securities with date-related Barrier observation, that the Worst Performance (b) is lower than the Barrier Level_i on the respective Barrier Observation Date.

The Barrier_i or the method for its determination is specified in the respective Final Terms.

The Barrier Level_i is specified in the respective Final Terms.

The Worst Performance (b) is the lowest Performance of the Basket Component_i (b) on the respective Barrier Observation Date. The respective Performance of the Basket Component_i (b) means K_i (b) divided by K_i (initial).

The Worst Performance (final) is the lowest Performance of the Basket Component_i (final) on the respective Final Observation Date. The respective Performance of the Basket Component_i (final) means K_i (final) divided by K_i (initial).

K_i (initial) means:

- for Securities where K_i (initial) has already been specified, the price of the Basket Component_i specified in the respective Final Terms, or
- for Securities with initial Reference Price observation, the Reference Price of the Basket Component_i on the Initial Observation Date, or
- for Securities with initial average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Initial Observation Dates, or
- for Securities with best-in observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-in observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

K_i (b) means:

The Reference Price of the Basket Component_i on the respective Barrier Observation Date.

K_i (k) means:

The Reference Price of the Basket Component_i on the respective Observation Date (k).

K_i (final) means:

- for Securities with final Reference Price observation, the Reference Price of the Basket Component_i on the Final Observation Date, or
- for Securities with final average observation, the equally weighted average of the Reference Prices of the Basket Component_i determined on the Final Observation Dates, or
- for Securities with best-out observation, the highest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms, or
- for Securities with worst-out observation, the lowest Reference Price of the Basket Component_i on the dates specified in the respective Final Terms.

If no Barrier Event has occurred, redemption is made for all Securities at a Redemption Amount in the Specified Currency, which corresponds to the Maximum Amount.

If a Barrier Event has occurred, redemption is made:

- for Securities with cash settlement, by payment of the Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount multiplied by the Worst Performance (final) and divided by the Strike; the Redemption Amount will not be greater than the Nominal Amount; or
- for Securities with physical delivery:
 - if the Worst Performance (final) is equal to or greater than the Strike, by payment of a Redemption Amount in the Specified Currency, which corresponds to the Nominal Amount; or

- if the Worst Performance (final) is lower than the Strike, by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i, a cash amount expressed in the Specified Currency is paid in the amount corresponding to the value of the non-deliverable fraction of the Basket Component_i.

The Strike, the Ratio_i and the Maximum Amount are specified in the respective Final Terms.

Upon the occurrence of a Call Event the Issuer may call and early redeem the Securities at their Cancellation Amount.

Description of the Securities incorporated by reference in the Base Prospectus

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities the descriptions of the Securities as included in:

- the Base Prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities; and
- the Base Prospectus of UniCredit Bank AG dated 20 April 2015 for the issuance of Securities with Multi-Underlying (without capital protection)

are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 166 et seq.

CONDITIONS OF THE SECURITIES

General Information

Part A – General Conditions of the Securities (the "**General Conditions**") must be read together with Part B – Product and Underlying Data (the "**Product and Underlying Data**") as well as Part C – Special Conditions of the Securities (the "**Special Conditions**") (together, the "**Conditions**"). A completed version of the Conditions describes the Terms and Conditions of the respective Tranche of Securities which are part of the relevant Global Note.

The Special Conditions are divided into the Special Conditions which apply for particular product types and Special Conditions which apply for all product types.

For each Tranche of Securities the Final Terms will be published as a separate document and will contain:

- (a) information on the relevant options contained in the General Conditions,
- (b) a consolidated version of the Product and Underlying Data,
- (c) a consolidated version of the Special Conditions,

reflecting the Terms and Conditions of the Securities.

A consolidated version of the General Conditions may be delivered together with the relevant Final Terms. Such consolidated General Conditions will not be part of the relevant Final Terms, neither as an annex nor as an integral part of the Final Terms and such consolidated General Conditions will not be filed with or sent to any competent authority.

Structure of the Conditions

Part A – General Conditions of the Securities

- § 1 Form, Clearing System, Global Note, Custody
- § 2 Principal Paying Agent, Paying Agent, Calculation Agent
- § 3 Taxes
- § 4 Status
- § 5 Substitution of the Issuer
- § 6 Notices
- § 7 Issuance of additional Securities, Repurchase
- § 8 Presentation Period
- § 9 Partial Invalidity, Corrections
- § 10 Applicable Law, Place of Performance, Place of Jurisdiction
- [§ 11 Waiver Right]

Part B – Product and Underlying Data

Part C – Special Conditions of the Securities

[Special Conditions that apply for particular product types]

Product Type 1: Worst-of Bonus Securities

Product Type 2: Worst-of Bonus Cap Securities

[§ 1 Definitions

§ 2 Interest[, Additional Amount]

§ 3 Redemption

§ 4 Redemption Amount]

Product Type 3: Worst-of Express Securities

Product Type 4: Worst-of Express Plus Securities

Product Type 5: Worst-of Express Securities with Additional Amount

[§ 1 Definitions

§ 2 Interest[, Additional Amount]

§ 3 Redemption, Automatic Early Redemption

§ 4 Redemption Amount, Early Redemption Amount]

Product Type 6: Worst-of Express Cash Collect Securities

[§ 1 Definitions

§ 2 Interest, Additional Amount

§ 3 Redemption

§ 4 Redemption Amount

Product Type 7: Worst-of Cash Collect Securities

[§ 1 Definitions

§ 2 Interest, Additional Amount

§ 3 Redemption

§ 4 Redemption Amount

[Special Conditions that apply for all product types:]

§ 5 Issuer's Extraordinary Call Right

§ 6 Payments[, Deliveries]

§ 7 Market Disruptions

[In the case of Securities linked to a share, the following applies:]

§ 8 Adjustments, Replacement Specification]

[In the case of Securities linked to an index, the following applies:]

§ 8 Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification]

[In the case of Securities linked to a commodity, the following applies:]

§ 8 Relevant Trading Conditions, Adjustments, Replacement Reference Market]

[In the case of Quanto Securities with physical delivery, the following applies:]

§ 9 New Fixing Sponsor, Replacement Exchange Rate]

Part A – General Conditions of the Securities

PART A - GENERAL CONDITIONS OF THE SECURITIES

(the "**General Conditions**")

§ 1

Form, Clearing System, Global Note, Custody

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as [notes] [certificates] in bearer form pursuant to these Terms and Conditions with a Nominal Amount in the Specified Currency.

[In the case of Securities with a Permanent Global Note from the Issue Date, the following applies:

- (2) *Permanent Global Note:* The Securities are represented by a permanent global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System.]

[In the case of Securities with a Temporary Global Note which will be exchangeable for a Permanent Global Note, the following applies:²

- (2) *Temporary Global Note, Exchange:* The Securities are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The Temporary Global Note will be exchangeable for a permanent global note without interest coupons (the "**Permanent Global Note**", and, together with the Temporary Global Note, the "**Global Notes**") on or after the 40th day after the Issue Date (the "**Exchange Date**") only upon delivery of certifications, to the effect that the beneficial owner or owners of the Securities represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding Securities through such financial institutions) (the "**Non-U.S. Beneficial Ownership Certificates**"). The Global Notes bear the manual or facsimile signatures of two authorised representatives of the Issuer *[In the case of an Issuing Agent, the following applies:* as well as the manual signature of a control officer of the Issuing Agent]. *[If CBL and Euroclear Bank are specified as Clearing System, the following applies:* The details of such exchange shall be entered into the records of the ICSDs.] The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Notes may be transferred pursuant to the relevant regulations of the Clearing System.

² The text found in § 1(2) is known as the "TEFRA D legend". This footnote provides a very brief synopsis of the so-called Excise Tax Exemption (formerly known as TEFRA) rules under the tax code of the United States of America ("U.S."). Generally, debt instruments in non-registered form (bearer securities) which have a maturity of longer than 365 days may be subject to U.S. tax penalties if the issuance of such instruments does not comply with either the TEFRA C or TEFRA D rules. TEFRA C is highly restrictive and may be used only if, among other things, the instruments will not be offered or issued to persons in the U.S. and its possessions, as defined under the U.S. Internal Revenue Code, and the issuer does not "significantly engage in interstate commerce with respect to the issuance." In this case a TEFRA legend is not required. The TEFRA D rules, which are more mechanical than the TEFRA C rules, impose, during a "restricted period", certain restrictions on (i) the offer and sale of the instruments to "U.S. persons" or to persons within the U.S. and its possessions and (ii) the delivery of the instruments in the U.S. The TEFRA D rules also generally require that the owner of an instrument certify as to non-U.S. beneficial ownership and that the instrument contain a "TEFRA D legend" with specific language on its face. Compliance with TEFRA D provides for a safe harbour if instruments are inadvertently issued to U.S. persons. To the extent that Securities have debt characteristics, such as "principal protection", TEFRA C and TEFRA D rules may apply. IF THERE IS ANY DOUBT WHETHER A SECURITY MAY BE CONSIDERED DEBT, U.S. LEGAL AND TAX COUNSEL MUST BE CONSULTED.

"U.S. persons" means such persons as defined in *Regulation S* of the *United States Securities Act of 1933* and particularly includes residents of the United States as well as American stock corporations and private companies.]

[In the case of Securities, where CBF is specified in the Final Terms as Clearing System, the following applies:

(3) *Custody:* The Global Note will be kept in custody by CBF.]

[In the case of Securities, where CBL and Euroclear Bank is specified in the Final Terms as Clearing System, the following applies:

(3) *Custody:* The Global Notes will be issued in classical global note form and will be kept in custody by a common depository on behalf of both ICSDs.]

[In the case of Securities, where Euroclear France is specified in the Final Terms as Clearing System, the following applies:

(3) *Custody:* The Global Note will be kept in custody by or on behalf of the Clearing System.]

[In the case of Securities, where Euroclear Bank or another Clearing System is specified in the Final Terms, the following applies:

(3) *Custody:* The Global Note will be kept in custody by or on behalf of the Clearing System.]

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [*Insert name and address of other paying agent*]. [The French Paying Agent for Euroclear France S.A. is CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France (the "**French Paying Agent**").] The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 6 of the General Conditions.
- (2) *Calculation Agent:* The "**Calculation Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich] [*Insert name and address of other calculation agent*].
- (3) *Transfer of functions:* Should any event occur which results in the Principal Paying Agent[, French Paying Agent] or Calculation Agent being unable to continue in its function as Principal Paying Agent[, French Paying Agent] or Calculation Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent[, French Paying Agent] or another person or institution with the relevant expertise as Calculation Agent. Any such transfer of the functions of the Principal Paying Agent[, French Paying Agent] or Calculation Agent shall be notified by the Issuer without undue delay pursuant to § 6 of the General Conditions.
- (4) *Agents of the Issuer:* In connection with the Securities, the Principal Paying Agent[, the French Paying Agent], the Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders. The Principal Paying Agent[, the French Paying Agent] and the Paying Agents shall be exempt from the restrictions of § 181 German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**").

§ 3

Taxes

No gross up: Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (the "**Taxes**") 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, to the extent that such deduction or withholding is required by law. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

§ 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 authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
 - (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
 - (d) the Issuer guarantees proper payment of the amounts due under these 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 be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

§ 6

Notices

To the extent these Terms and Conditions provide for a notice pursuant to this § 6, these will be published on the Website for Notices (or another website communicated by the Issuer with at least six weeks advance notice in accordance with these provisions) and become effective vis-à-vis the Security Holders through such publication unless the notice provides for a later effective date. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website, which is notified by the Issuer in accordance with the above paragraph).

§ 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 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 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.

[§ 11

Waiver Right

Waiver Right: Each Security Holder has the right to waive to the automatic exercise of the exercise right of the Securities held by it (subject as set out below). In this case, a duly completed waiver notice (a "**Waiver Notice**") must be delivered by facsimile to the Issuer prior to 10.00 a.m., Munich local time, on the Final Observation Date at the facsimile number set out in the section of the Base Prospectus titled Conditions of the Securities under "Form of Waiver Notice". The Security Holder must deliver the completed Waiver Notice to its depository bank which will be in charge of sending it by facsimile to the Issuer.

In the event that a Security Holder does not perform its obligations and so deliver, where applicable, a duly completed Waiver Notice in accordance with the provisions hereof, such Securities shall be exercised automatically and shall be repaid in the manner set out in the Terms and Conditions of these Securities, and the Issuer's obligations in respect of such Securities shall be discharged and no further liability in respect thereof shall attach to the Issuer.

The number of Securities specified in the Waiver Notice must be a multiple of the minimum exercise amount, otherwise such number of Securities so specified shall be rounded down to the preceding multiple of the minimum exercise amount and the Waiver Notice shall not be valid in respect of the Securities exceeding such rounded number of Securities.

The Issuer will, in its reasonable discretion (§ 315 BGB), determine whether the above conditions are satisfied and its determination will be final, conclusive and binding on the Issuer and on the Security Holder.

The Waiver Notice is irrevocable.

Neither the Principal Paying Agent nor the Issuer shall apply any charge for the renouncement to the exercise of the Securities. Any other taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties which may arise in connection with the renouncement of any Securities are payable by the Security Holders.]

Part B – Product and Underlying Data

PART B – PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

[Insert following Product Data in alphabetical or other order and/or in the form of a table³ (in particular by Multi-Series Issuances):]

[Additional Amount (m): [Insert]]

[Additional Amount (k): [Insert]][Additional Amount (l): [Insert]]

[Additional Amount Payment Date (m): [Insert]]

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

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

[Additional Amount Payment Level (m): [Insert]]

[Additional Amount Payment Level (k): [Insert]]

[Banking Day Financial Centre: [Insert Banking Day Financial Centre]]

[Barrier_i: [Insert]]

[Barrier_i (k): [Insert]]

[Barrier Level_{ij}: [Insert]]

[Barrier Level_i (k): [Insert]]

[Barrier Observation Date[s]: [Insert]]

[Basket Component_i: [Insert]]

[Bonus Amount: [Insert]]

[Cap: [Insert Cap]]

[Coupon Barrier Observation Date [s]: [Insert]]

[Early Maturity Date (k): [Insert]]

[Early Redemption Amount [(k): [Insert]]

[Early Redemption Level_i (k): [Insert]]

[Expiry Date (*Data di Scadenza*): [Insert]]

[Final Observation Date[s]: [Insert]]

[Final Redemption Amount: [Insert]]

[Final Redemption Level: [Insert]]

[First Day of the Barrier Observation Period: [Insert]][(included)]

[First Day of the Barrier Observation Period (k): [Insert]][(included)]

[First Day of the [Best] [Worst]-out Period: [Insert]]

³ Several tables may be provided in the Final Terms depending on the product type.

First Trade Date: *[Insert]*

[Initial Observation Date[s]: *[Insert]*

[Issue Date: *[Insert]*

[Issue Price: *[Insert]*⁴

Issue Volume of Series [in units]: *[Insert]*

Issue Volume of Tranche [in units]: *[Insert]*

[Issuing Agent: *[Insert name and address of the Issuing Agent]*

ISIN: *[Insert]*

[k: *[Insert]*

[K_i (initial): *[Insert]*

[l: *[Insert consecutive number]*

[Last Day of the Barrier Observation Period: *[Insert]*[(included)]

[Last Day of the Barrier Observation Period (k): *[Insert]*[(included)]

[Last Day of the [Best][Worst]-in Period: *[Insert]*

Maturity Date: *[Insert]*

[Maximum Amount: *[Insert]*

N: *[Insert number of Basket Components]*

Nominal Amount: *[Insert]*

[Observation Date (k): *[Insert]*

[Observation Date (m): *[Insert]*

[Ratio_i: *[Insert Ratio_i]*⁵

[Record Date: *[Insert]*

Reference Price_i: *[Insert]*

Reuters: *[Insert]*

Series Number: *[Insert]*

Specified Currency: *[Insert]*

Strike: *[Insert]*

[Trading Code: *[Insert]*

Tranche Number: *[Insert]*

Website for Notices: *[Insert]*

Website of the Issuer: *[Insert]*

WKN: *[Insert]*

[Worst-[in][out] Period: *[Insert]*

⁴ If the Issue Price was not specified at the time of the creation of the Final Terms, the criteria for the price specification and the procedure for its publication shall be defined in *Part A – General Information* of the Final Terms.

⁵ The specification "Ratio" is only applicable for the Basket Component "share".

§ 2

Underlying Data

[In the case of Securities linked to a basket of shares, the following applies:

Basket Component_i	Currency of the Basket Component_i	[FX Exchange Rate_i]	[Fixing Sponsor_i]	[FX Screen Page_i]	[FX_i Observation Date (final)]	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Relevant Exchange_i	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert FX Exchange Rate₁]</i>	<i>[Insert Fixing Sponsor₁]</i>	<i>[Insert FX Screen Page₁]</i>	<i>[Insert FX₁ Observation Date (final)]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[Insert RIC₁]</i>	<i>[Insert Bloomberg ticker₁]</i>	<i>[Insert Relevant Exchange₁]</i>	<i>[Insert Website₁]</i>
<i>Insert name of Basket Component_N</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert FX Exchange Rate_N]</i>	<i>[Insert Fixing Sponsor_N]</i>	<i>[Insert FX Screen Page_N]</i>	<i>[Insert FX_i Observation Date (final)]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[Insert RIC_N]</i>	<i>[Insert Bloomberg ticker_N]</i>	<i>[Insert Relevant Exchange_N]</i>	<i>[Insert Website_N]</i>

For further information about the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table.]

[In the case of Securities linked to a basket of indices, the following applies:]

Basket Component_i	Currency of the Basket Component_i	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Index Sponsor_i	Index Calculation Agent_i	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[Insert RIC₁]</i>	<i>[Insert Bloomberg₁]</i>	<i>[Insert Index Sponsor₁]</i>	<i>[Insert Index Calculation Agent₁]</i>	<i>[Insert Website₁]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[Insert RIC_N]</i>	<i>[Insert Bloomberg_N]</i>	<i>[Insert Index Sponsor_N]</i>	<i>[Insert Index Calculation Agent_N]</i>	<i>[Insert Website_N]</i>

For further information about the Basket Components and the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table.]

[In the case of Securities linked to a basket of commodities, the following applies:]

Basket Component_i	Currency of the Basket Component_i	[WKN_i]	[ISIN_i]	[Reuters_i]	[Bloomberg_i]	Reference Market_i	Website_i
<i>[Insert name of Basket Component₁]</i>	<i>[Insert Currency of the Basket Component₁]</i>	<i>[Insert WKN₁]</i>	<i>[Insert ISIN₁]</i>	<i>[Insert RIC₁]</i>	<i>[Insert Bloomberg₁]</i>	<i>[Insert Reference Market₁]</i>	<i>[Insert Website₁]</i>
<i>[Insert name of Basket Component_N]</i>	<i>[Insert Currency of the Basket Component_N]</i>	<i>[Insert WKN_N]</i>	<i>[Insert ISIN_N]</i>	<i>[Insert RIC_N]</i>	<i>[Insert Bloomberg ticker_N]</i>	<i>[Insert Reference Market_N]</i>	<i>[Insert Website_N]</i>

For further information about the past and future performance of the Basket Components and their volatility, please refer to the Website as specified in the table.]

Part C – Special Conditions of the Securities

PART C – SPECIAL CONDITIONS OF THE SECURITIES

(the "Special Conditions")

[Special Conditions that apply for particular product types:]

Product Type 1: Worst-of Bonus Securities

Product Type 2: Worst-of Bonus Cap Securities

[In the case of Worst-of Bonus [Cap] Securities, the following applies:]

§ 1

Definitions

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

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

"Adjustment Event" means [each of the following events]:

[In the case of a basket consisting of shares as Underlying, the following applies:]

- (a) each measure taken by the company that has issued the respective Basket Component_i or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital – in the reasonable discretion (§ 315 BGB) of the Calculation Agent, affect the respective Basket Component_i not only immaterially (in particular capital increase against cash contribution, issuance of Securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation);
- (b) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (c) an adjustment performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of indices as Underlying, the following applies:]

- (a) changes in the relevant Index Concept or the calculation of the respective Basket Component_i, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the respective Basket Component_i being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component_i;
- (b) the calculation or publication of the respective Basket Component_i is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the respective Basket Component_i as basis for the calculations or, respectively, specifications described in the Terms and Conditions of these

Securities; likewise the Issuer is not responsible for the termination of the license to use the respective Basket Component_i due to an unacceptable increase in license fees (a "**License Termination Event**");

- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- [(a)] any changes in the Relevant Trading Conditions of the respective Basket Component_i that lead to a situation where, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, as a result of the change, the changed trading conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change[;
- (b) a Hedging Disruption occurs].]

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

"Banking Day Financial Centre" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

"Barrier_i" means [the Barrier_i as specified in § 1 of the Product and Underlying Data] [Barrier Level x K_i (initial)].]

[In the case of Securities with continuous Barrier observation the following applies:

"Barrier Event" means that any price of at least one Basket Component_i as published by the [Relevant Exchange_i] [Index Sponsor_i or Index Calculation Agent_i] [Reference Market_i] with continuous observation during the Barrier Observation Period is equal to or less than the respective Barrier_i.]

[In the case of Securities with date-related Barrier observation, the following applies:

"Barrier Event" means that the Worst Performance (b) on the respective Barrier Observation Date is less than the Barrier Level.]

[In the case of Securities where the Barrier_i is still to be specified and with date-related Barrier observation, the following applies:

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

[In the case of Securities with continuous Barrier observation, the following applies:

"Barrier Observation Period" means each Calculation Date from the First Day of the Barrier Observation Period (including) to the Last Day of the Barrier Observation Period (including).]

"Basket Component_i" means the respective [share][index][commodity] as specified in § 1 of the Product and Underlying Data.

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

"Calculation Agent" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"Calculation Date" means each day on which the Reference Price_i is published by the [re-

spective Relevant Exchange;_i][respective Index Sponsor_i or the respective Index Calculation Agent;_i][respective Reference Market_i].

["**Call Event**" means [[Share Call Event] [Index Call Event] [Commodity Call Event]] [or FX Call Event].]

[In the case of Worst-of Bonus Cap Securities with physical delivery, the following applies:

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

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

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

in the reasonable discretion (§ 315 BGB) of the Issuer

- [(a)] the holding, acquisition or sale of the respective Basket Component_i or assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer [or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)],

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

["**Clearance System**" means the principal domestic clearance system customarily used for settling trades with respect to the [respective Basket Component_i] [the securities that form the basis of the respective Basket Component_i] as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

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

"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**") [Euroclear France SA ("**Euroclear France**") [Insert other Clearing System(s)].

["**Commodity Call Event**" means each of the following events:

- (a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Reference Market is available or could be determined;
- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

"**Determining Futures Exchange_i**" means the futures exchange, on which respective derivatives of the respective Basket Component_i [or – if derivatives on the respective Basket Component_i are not traded – its components] (the "**Derivatives**") are traded, and as deter-

mined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such Derivative's number or liquidity.

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the respective Basket Component_i [or to its components] at the Determining Futures Exchange_i, or a considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange_i (the "**Substitute Futures Exchange_i**"). In this case, any reference in these Terms and Conditions to the Determining Futures Exchange_i shall be deemed to refer to the Substitute Futures Exchange_i.

["First Day of the Barrier Observation Period" means the First Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

[In the case of Quanto Securities with physical delivery, the following applies:]

"Fixing Sponsor_i" means the Fixing Sponsor_i related to the respective FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"FX_i" means the official fixing of the FX Exchange Rate_i as published by the Fixing Sponsor_i on the FX Screen Page_i (or any successor page).

"FX_i Calculation Date" means each day on which FX_i is published by the Fixing Sponsor_i.

["FX Call Event" means that

- [(a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable New Fixing Sponsor_i (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate_i (as specified in § 9 (2) of the Special Conditions) is available; or
- (b) due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on FX_i) the reliable determination of FX_i is impossible or impracticable.]

"FX Exchange Rate_i" means the FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"FX_i (final)" means FX_i on the FX_i Observation Date (final).

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

- (a) the failure of the respective Fixing Sponsor_i to publish the respective FX_i;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of the respective FX_i (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;

- (c) any other events with commercial effects which are similar to the events listed above;

to the extent that the above-mentioned events are material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.

"FX_i Observation Date (final)" means [the FX_i Observation Date (final) as specified in § 2 of the Product and Underlying Data][the Final Observation Date]. [If such day is not a FX Calculation Date, the immediately following FX Calculation Date, which is a Calculation Date shall be the FX_i Observation Date (final).]

"FX Screen Page_i" means the FX Screen Page_i related to the FX Exchange Rate_i as specified in § 2 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 in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

- (b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date.]

["Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the First Trade Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

["Index Calculation Agent_i" means the Index Calculation Agent_i as specified in § 2 of the Product and Underlying Data.]

["Index Call Event" means each of the following events:

- (a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Basket Component is available;

- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];

- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;

- (d) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable substitute for the respective Index Sponsor_i and/or the respective Index Calculation Agent_i is available;

- (e) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

["Index Sponsor_i" means the Index Sponsor_i as specified in § 2 of the Product and Underlying Data.]

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

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

[In the case of Securities where K_i (initial) has already been specified, the following applies:]

" K_i (initial)" means K_i (initial) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with initial Reference Price observation, the following applies:]

" K_i (initial)" means the Reference Price_i on the Initial Observation Date.]

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

" K_i (initial)" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Initial Observation Dates.]

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

" K_i (initial)" means the [highest][lowest] Reference Price_i on [each of the Initial Observation Dates] [each [Insert relevant date(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including).]

[In the case of Securities with date-related Barrier observation, the following applies:]

" K_i (b)" means the Reference Price_i on the respective Barrier Observation Date.]

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

" K_i (final)" means the Reference Price_i on the Final Observation Date.]

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

" K_i (final)" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Final Observation Dates.]

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

" K_i (final)" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each [Insert relevant date(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including).]

["Last Day of the Barrier Observation Period" means the Last Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["Last Day of the [Best][Worst]-in Period" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

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

[In the case of a basket consisting of shares as Underlying, the following applies:]

- (a) the failure of the respective Relevant Exchange_i to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the respective Basket Component_i on the respective Relevant Exchange_i;
- (c) in general the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the respective Determining Futures Exchange_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in

the rules of the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of indices as Underlying, the following applies]

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the securities that form the basis of the respective Basket Component_i are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the respective Basket Component_i are listed or traded;
- (b) in relation to individual securities which form the basis of respective Basket Component_i, the suspension or restriction of trading on the exchanges or on the markets on which such securities are traded or on the respective futures exchange or the markets on which derivatives of such securities are traded;
- (c) in relation to individual Derivatives of the respective Basket Component_i the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the respective Basket Component_i as a result of a decision by the Index Sponsor_i or the Index Calculation Agent_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange_i or, as the case may be, the Determining Futures Exchange_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:]

- (a) the suspension or the restriction of trading or the price determination of the respective Basket Component_i on the Reference Market_i or
- (b) the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the Determining Futures Exchange_i

to the extent that such Market Disruption Event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i.]

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

[In the case of Worst-of Bonus Cap Securities, the following applies:]

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

"**N**" means the number of Basket Components as specified in § 1 of the Product and Underlying Data.

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

"Observation Date" means each of the following Observation Dates:

[In the case of Securities with date-related Barrier observation, the following applies:

"Barrier Observation Date" means each of the Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Barrier Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Barrier Observation Date for [all Basket Components][the relevant Basket Component_i.]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Final Observation Date for [all Basket Components][the relevant Basket Component_i]. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.

"Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Initial Observation Date for [all Basket Components][the relevant Basket Component_i.]

["Performance of the Basket Component_i (b)"] means the Performance of the Basket Component_i on the respective Barrier Observation Date according to the following formula:

$$K_i (b) / K_i (initial)]$$

"Performance of the Basket Component_i (final)"] means the Performance of the Basket Component_i on the Final Observation Date according to the following formula:

$$K_i (final) / K_i (initial)$$

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities with physical delivery, the following applies:

"Ratio_i" means the Ratio_i for the respective Basket Component_i [as specified in § 1 of the Product and Underlying Data.][which is specified by the Calculation Agent according to the following formula:

$$[\text{Ratio}_i = \text{Nominal Amount} / (K_i \text{ initial}) \times \text{Strike}]$$

$$[\text{Ratio}_i = \text{Nominal Amount} \times \text{FX}_i (\text{final}) / K_i (\text{initial}) \times \text{Strike}]$$

$$[\text{Ratio}_i = \text{Nominal Amount} / K_i (\text{initial}) \times \text{FX}_i (\text{final}) \times \text{Strike}]$$

The Ratio_i shall be rounded up or down to six decimals, with 0.0000005 being rounded upwards].]

"Redemption Amount" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

["Reference Market_i"] means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

"Reference Price_i" means the Reference Price of the relevant Basket Component_i as specified in § 1 of the Product and Underlying Data.

["**Relevant Exchange_i**," means the [respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component_i are traded, as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such components' liquidity.]

In the case of a material change in the market conditions at the [respective] Relevant Exchange_i, such as a final discontinuation of the quotation of the respective Basket Component_i [or, respectively its components] at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another stock exchange as the relevant exchange (the "**Substitute Exchange**"). In this case, any reference in these Terms and Conditions to the respective Relevant Exchange_i shall be deemed to refer to the respective Substitute Exchange.]

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

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

["**Settlement Cycle**" means the period of Clearance System Business Days following a transaction on the Relevant Exchange_i [with respect to the relevant Basket Component_i][in the securities that form the basis of the respective Basket Component_i], during which period settlement will customarily take place according to the rules of such Relevant Exchange_i.]

["**Share Call Event**" means each of the following events:

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased and in the reasonable (§ 315 BGB) of the Calculation Agent no Substitute Exchange could be determined;
- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

"**Terms and Conditions**" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means a Basket consisting of the Basket Components.

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

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

[In the case of Worst-of Bonus [Cap] Securities with date-related Barrier observation, the following applies:

"**Worst Performance (b)**" means the Performance of the Basket Component_j (b) specified as follows:

Performance of the Basket Component_j (b) = $\min [K_i (b) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

"**Worst Performance (final)**" means the Performance of the Basket Component_i (final) specified as follows:

Performance of the Basket Component_i (final) = $\min [K_i \text{ (final)} / K_i \text{ (initial)}]$ (with $i = 1, \dots, N$)

§ 2

Interest[, Additional Amount]

[(1)] *Interest:* The Securities do not bear interest.

[In the case of Securities with an unconditional Additional Amount, the following applies:]

(2) The respective Additional Amount (1) will be paid on the Additional Amount Payment Date (1) pursuant to the provisions of § 6 of the Special Conditions.]

§ 3

Redemption

[In the case of Securities with cash settlement, the following applies:]

Redemption: The Securities shall be redeemed by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.]

[In the case of Worst-of Bonus Securities with physical delivery, the following applies:]

Redemption: The Securities shall be redeemed either

- (i) if no Barrier Event has occurred by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions, or
- (ii) if a Barrier Event has occurred by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the respective Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i with the Worst Performance (final), a cash amount will be paid in the amount of the value of the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) (the "**Supplemental Cash Amount**") which is calculated from the Reference Price of the Basket Component with the Worst Performance (final) on the Final Observation Date multiplied by the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) [and [if applicable] divided by FX_i (final)] [and [if applicable] multiplied by FX_i (final)].]

[In the case of Worst-of Bonus Cap Securities with physical delivery, the following applies:]

Redemption: The Securities shall be redeemed either

- (i) if no Barrier Event has occurred or if a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Cap by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions, or
- (ii) if a Barrier Event has occurred and if the Worst Performance (final) is lower than the Cap by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i with the Worst Performance (final), a cash amount will be paid in the amount of the value of the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) (the "**Supplemental Cash Amount**") which is calculated from the Reference Price of the Basket Component_i with the Worst Performance (final) on the Final Observation Date

multiplied with the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) [and [if applicable] divided by FX_i (final)] [and [if applicable] multiplied by FX_i (final).]]

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 1: Worst-of Bonus Securities

[In the case of Securities with cash settlement, the following applies:

- If no Barrier Event has occurred, the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, in this case the Redemption Amount is not lower than the Bonus Amount.

- If a Barrier Event has occurred, the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike]

[In the case of Securities with physical delivery, the following applies:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, the Redemption Amount is not lower than the Bonus Amount.]]

[Product Type 2: Worst-of Bonus Cap Securities

[In the case of Securities with cash settlement where the Bonus Amount is the same as the Maximum Amount, the following applies:

- If no Barrier Event has occurred the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, in this case the Redemption Amount is not greater than the Maximum Amount.]

[In the case of Securities with cash settlement where the Bonus Amount is not the same as the Maximum Amount, the following applies:

- If no Barrier Event has occurred the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, in this case the Redemption Amount is not lower than the Bonus Amount and not greater than the Maximum Amount.

- If a Barrier Event has occurred the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, in this case the Redemption Amount is not greater than the Maximum Amount.]

[In the case of Securities with physical delivery, where the Bonus Amount is the same as the Maximum Amount the following applies:

The Redemption Amount corresponds to the Maximum Amount.]

[In the case of Securities with physical delivery, where the Bonus Amount is not the same as the Maximum Amount the following applies:

The Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, the Redemption Amount is not lower than the Bonus Amount and not greater than the Maximum Amount.]]]

Product Type 3: Worst-of Express Securities

Product Type 4: Worst-of Express Plus Securities

Product Type 5: Worst-of Express Securities with Additional Amount

[In the case of Worst-of Express [Plus] Securities and Worst-of Express Securities with Additional Amount, the following applies:]

§ 1

Definitions

[In the case of Worst-of Express Securities with Additional Amount, the following applies:]

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

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

[In the case of Worst-of Express Securities with Additional Amount, the following applies:]

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

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

[In the case of Worst-of Express Securities with Additional Amount, the following applies:]

"**Additional Amount Payment Event**" means that the Worst Performance (m) is equal to or greater than the Additional Amount Payment Level (m) on the respective Observation Date (m).

"**Additional Amount Payment Level (m)**" means the respective Additional Amount Payment Level (m) as specified in § 1 of the Product and Underlying Data.]

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

[In the case of a basket consisting of shares as Underlying, the following applies:]

- (a) each measure taken by the company that has issued the respective Basket Component_i or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital – in the reasonable discretion (§ 315 BGB) of the Calculation Agent, affect the respective Basket Component_i not only immaterially (in particular capital increase against cash contribution, issuance of Securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation);
- (b) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (c) an adjustment performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of indices as Underlying, the following applies:]

- (a) changes in the relevant Index Concept or the calculation of the respective Basket

Component_i, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the respective Basket Component_i being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component_i;

- (b) the calculation or publication of the respective Basket Component_i is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the respective Basket Component_i as basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; likewise the Issuer is not responsible for the termination of the license to use the respective Basket Component_i due to an unacceptable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

[(a)] any changes in the Relevant Trading Conditions of the respective Basket Component_i that lead to a situation where, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, as a result of the change, the changed trading conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change[;

(b) a Hedging Disruption occurs].]

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

["Banking Day Financial Centre" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

["Barrier_i" means [the Barrier_i as specified in § 1 of the Product and Underlying Data] [Barrier Level x K_i (initial)].]

[In the case of Securities with continuous Barrier observation the following applies:

"Barrier Event" means that any price of at least one Basket Component_i as published by the [Relevant Exchange_i] [Index Sponsor_i or Index Calculation Agent_i] [Reference Market_i] with continuous observation during the Barrier Observation Period is equal to or less than the respective Barrier_i.]

[In the case of Securities with date-related Barrier observation, the following applies:

"Barrier Event" means that the Worst Performance (b) on the respective Barrier Observation Date is less than the Barrier Level.]

[In the case of Securities where the Barrier_i is still to be specified and with date-related Barrier observation, the following applies:

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

[In the case of Securities with continuous Barrier observation, the following applies:

"Barrier Observation Period" means each Calculation Date from the First Day of the

Barrier Observation Period (including) to the Last Day of the Barrier Observation Period (including).]

"**Basket Component**," means the respective [share][index][commodity] as specified in § 1 of the Product and Underlying Data.

"**Calculation Agent**" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"**Calculation Date**" means each day on which the Reference Price_i is published by the [respective Relevant Exchange;][respective Index Sponsor_i or the respective Index Calculation Agent;][respective Reference Market_i].

["**Call Event**" means [[Share Call Event] [Index Call Event] [Commodity Call Event]] [or FX Call Event].]

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

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

in the reasonable discretion (§ 315 BGB) of the Issuer

- [(a)] the holding, acquisition or sale of the respective Basket Component_i or assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer[or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)],

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

["**Clearance System**" means the principal domestic clearance system customarily used for settling trades with respect to the [respective Basket Component;] [the securities that form the basis of the respective Basket Component;] as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

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

"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear Bank**") (CBL and Euroclear are individually referred to as an "**ICSD**" (International Central Securities Depository) and, collectively, the "**ICSDs**") [Euroclear France SA ("**Euroclear France**") [Insert other Clearing System(s)].

["**Commodity Call Event**" means each of the following events:

- (a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Reference Market is available or could be determined;
- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

"**Determining Futures Exchange_i**" means the futures exchange, on which respective derivatives of the respective Basket Component_i [or – if derivatives on the respective Basket Component_i are not traded – its components] (the "**Derivatives**") are traded, and as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such Derivative's number or liquidity.

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the respective Basket Component_i [or to its components] at the Determining Futures Exchange_i, or a considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange_i (the "**Substitute Futures Exchange_i**"). In this case, any reference in these Terms and Conditions to the Determining Futures Exchange_i shall be deemed to refer to the Substitute Futures Exchange_i.

"**Early Maturity Date (k)**" means the "Early Maturity Date (k)" as specified in § 1 of the Product and Underlying Data.

"**Early Redemption Amount (k)**" means the "Early Redemption Amount (k)" as calculated or specified by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

"**Early Redemption Event**" means that each Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k).

"**Early Redemption Level_i (k)**" means the Early Redemption Level_i (k) as specified in § 1 of the Product and Underlying Data.

[In the case of Worst-of Express Securities, the following applies:]

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

"**Final Redemption Event**" means that the Worst Performance (final) is equal to or greater than the Final Redemption Level.

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

["**First Day of the Barrier Observation Period**" means the First Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["**First Day of the [Best][Worst]-out Period**" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

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

[In the case of Quanto Securities with physical delivery, the following applies:]

"**Fixing Sponsor_i**" means the Fixing Sponsor_i related to the respective FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"**FX_i**" means the official fixing of the FX Exchange Rate_i as published by the Fixing Sponsor_i on the FX Screen Page_i (or any successor page).

"**FX_i Calculation Date**" means each day on which FX_i is published by the Fixing Sponsor_i.

["**FX Call Event**" means that

- [(a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable New Fixing Sponsor_i (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate_i (as specified in § 9 (2) of the Special Conditions) is available; or
- (b)] due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on FX_i) the reliable determination of FX_i is impossible or impracticable.]

"**FX Exchange Rate_i**" means the FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"**FX_i (final)**" means FX_i on the FX_i Observation Date (final).

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

- (a) the failure of the respective Fixing Sponsor_i to publish the respective FX_i;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of the respective FX_i (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

to the extent that the above-mentioned events are material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.

"**FX_i Observation Date (final)**" means [the FX_i Observation Date (final) as specified in § 2 of the Product and Underlying Data][the Final Observation Date]. [If such day is not a FX Calculation Date, the immediately following FX Calculation Date, which is a Calculation Date shall be the FX_i Observation Date (final).]

"**FX Screen Page_i**" means the FX Screen Page_i related to the FX Exchange Rate_i as specified in § 2 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 in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date.]

["**Increased Costs of Hedging**" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the First Trade Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or
- (b) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

["**Index Calculation Agent_i**," means the Index Calculation Agent_i as specified in § 2 of the Product and Underlying Data.]

["**Index Call Event**" means each of the following events:

- (a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Basket Component is available;
- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable substitute for the respective Index Sponsor_i and/or the respective Index Calculation Agent_i is available;
- (e) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

["**Index Sponsor_i**," means the Index Sponsor_i as specified in § 2 of the Product and Underlying Data.]

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

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

[In the case of Securities where K_i (initial) has already been specified, the following applies:

" **K_i (initial)**" means K_i (initial) as specified in § 1 of the Product and Underlying Data.]

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

" **K_i (initial)**" means the Reference Price_i on the Initial Observation Date.]

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

" **K_i (initial)**" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Initial Observation Dates.]

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

" **K_i (initial)**" means the [highest][lowest] Reference Price_i on [each of the Initial Observation Dates] [each [Insert relevant date(s)] between the Initial Observation Date (including) and the Last Day of the [Best] [Worst]-in Period (including)].]

[In the case of Securities with date-related Barrier observation, the following applies:

" **K_i (b)**" means the Reference Price_i on the respective Barrier Observation Date.]

" **K_i (k)**" means the Reference Price_i on the respective Observation Date (k).

" **K_i (m)**" means the Reference Price_i on the respective Observation Date (m).

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

" **K_i (final)**" means the Reference Price_i on the Final Observation Date.]

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

" **K_i (final)**" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Final Observation Dates.]

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

"**K_i (final)**" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each [Insert relevant date(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including).]

"**Last Day of the Barrier Observation Period**" means the Last Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

"**Last Day of the [Best][Worst]-in Period**" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

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

[In the case of a basket consisting of shares as Underlying, the following applies:

- (a) the failure of the respective Relevant Exchange_i to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the respective Basket Component_i on the respective Relevant Exchange_i;
- (c) in general the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the respective Determining Futures Exchange_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of indices as Underlying, the following applies

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the securities that form the basis of the respective Basket Component_i are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the respective Basket Component_i are listed or traded;
- (b) in relation to individual securities which form the basis of respective Basket Component_i, the suspension or restriction of trading on the exchanges or on the markets on which such securities are traded or on the respective futures exchange or the markets on which derivatives of such securities are traded;
- (c) in relation to individual Derivatives of the respective Basket Component_i, the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the respective Basket Component_i as a result of a decision by the Index Sponsor_i or the Index Calculation Agent_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange_i or, as the case may be, the Determining Futures Ex-

change;.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the respective Basket Component_i on the Reference Market_i or
- (b) the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the Determining Futures Exchange_i

to the extent that such Market Disruption Event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i.]

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

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

"N" means the amount of Basket Components as specified in § 1 of the Product and Underlying Data.

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

"Observation Date" means each of the following Observation Dates:

[In the case of Securities with date-related Barrier observation, the following applies:

"Barrier Observation Date" means each of the Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Barrier Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Barrier Observation Date for [all Basket Components][the relevant Basket Component_i].]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Final Observation Date for [all Basket Components][the relevant Basket Component_i]. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.

["Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Initial Observation Date for [all Basket Components][the relevant Basket Component_i].]

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If the Observation Date (k) is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Observation Date (k) for [all Basket Components] [the respective Basket Component_i]. The respective Early Maturity Date (k) [and the

respective Additional Amount Payment Date (k)] shall be postponed accordingly. No interest shall become due because of such postponement.

"**Observation Date (m)**" means the Observation Date (m) as specified in § 1 of the Product and Underlying Data. If the Observation Date (m) is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Observation Date (m) for [all Basket Components] [the respective Basket Component_i]. The respective Early Maturity Date (k) [and the respective Additional Amount Payment Date (m)] shall be postponed accordingly. No interest shall become due because of such postponement.

[In the case of Securities with date-related Barrier observation, the following applies:

"**Performance of the Basket Component_i (b)**" means the Performance of the Basket Component_i on the respective Barrier Observation Date according to the following formula:

$$K_i (b) / K_i (initial)]$$

"**Performance of the Basket Component_i (k)**" means the Performance of the Basket Component_i on the respective Observation Date (k) according to the following formula:

$$K_i (k) / K_i (initial)$$

"**Performance of the Basket Component_i (m)**" means the Performance of the Basket Component_i on the respective Observation Date (m) according to the following formula:

$$K_i (m) / K_i (initial)$$

"**Performance of the Basket Component_i (final)**" means the Performance of the Basket Component_i on the Final Observation Date according to the following formula:

$$K_i (final) / K_i (initial)$$

"**Principal Paying Agent**" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Securities with physical delivery, the following applies:

"**Ratio_i**" means the Ratio_i for the respective Basket Component_i [as specified in § 1 of the Product and Underlying Data.][which is specified by the Calculation Agent according to the following formula:

$$[\text{Ratio}_i = \text{Nominal Amount} / (K_i \text{ initial}) \times \text{Strike}]$$

$$[\text{Ratio}_i = \text{Nominal Amount} \times \text{FX}_i (\text{final}) / K_i (\text{initial}) \times \text{Strike}]$$

$$[\text{Ratio}_i = \text{Nominal Amount} / K_i (\text{initial}) \times \text{FX}_i (\text{final}) \times \text{Strike}]$$

The Ratio_i shall be rounded up or down to six decimals, with 0.0000005 being rounded upwards].]

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

"**Reference Market_i**" means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

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

"**Relevant Exchange_i**" means the [respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component_i are traded, as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such components' liquidity.]

In the case of a material change in the market conditions at the [respective] Relevant Exchange_i, such as a final discontinuation of the quotation of the respective Basket Component_i [or, respectively its components] at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another stock exchange as the relevant exchange (the "**Substitute Exchange**"). In this case, any reference in these Terms and Conditions to the respective Relevant Exchange_i shall be deemed to refer to the respective Substitute Exchange.]

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

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

"**Settlement Cycle**" means the period of Clearance System Business Days following a transaction on the Relevant Exchange_i [with respect to the relevant Basket Component_i][in the securities that form the basis of the respective Basket Component_i], during which period settlement will customarily take place according to the rules of such Relevant Exchange_i.]

"**Share Call Event**" means each of the following events:

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased and in the reasonable (§ 315 BGB) of the Calculation Agent no Substitute Exchange could be determined;
- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

"**Terms and Conditions**" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"**Underlying**" means a Basket consisting of the Basket Components.

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

"**Website[s] of the Issuer**" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

[In the case of Securities with date-related Barrier observation, the following applies:

"**Worst Performance (b)**" means the Performance of the Basket Component_j (b) specified as follows:

Performance of the Basket Component_j (b) = $\min [K_i (b) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

"**Worst Performance (k)**" means the Performance of the Basket Component_j (k) specified as follows:

Performance of the Basket Component_j (k) = $\min [K_i (k) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

"**Worst Performance (m)**" means the Performance of the Basket Component_j (m) specified as follows:

Performance of the Basket Component_j (m) = min [K_i (m) / K_i (initial)] (with i = 1,...N)]

"**Worst Performance (final)**" means the Performance of the Basket Component_j (final) specified as follows:

Performance of the Basket Component_j (final) = min [K_i (final) / K_i (initial)] (with i = 1,...N)

§ 2

Interest[, Additional Amount]

[(1)] *Interest*: The Securities do not bear interest.

[In the case of Worst-of Express Securities with Additional Amount (Memory), the following applies:

(2) *Additional Amount*: If an Additional Amount Payment Event has occurred on an Observation Date (m), the respective Additional Amount (m) will be paid on the respective Additional Amount Payment Date (m) pursuant to the provisions of § 6 of the Special Conditions less all Additional Amounts paid on the preceding Additional Amount Payment Dates.

If no Additional Amount Payment Event has occurred on an Observation Date (m), the Additional Amount (m) will not be paid on the respective Additional Amount Payment Date (m).]

[In the case of Worst-of Express Securities with Additional Amount (Relax), the following applies:

(2) *Additional Amount*: If an Additional Amount Payment Event has occurred on an Observation Date (m) [and no Barrier Event has occurred], the respective Additional Amount (m) will be paid on the respective Additional Amount Payment Date (m) pursuant to the provisions of § 6 of the Special Conditions.

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

[If a Barrier Event has occurred the Additional Amount (m) will not be paid on any following Additional Amount Payment Date (m).]

[In the case of Securities with an unconditional Additional Amount, the following applies:

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

§ 3

Redemption, Automatic Early Redemption

[In the case of Securities with cash settlement, the following applies:

(1) *Redemption*: The Securities shall be redeemed by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.]

[In the case of Securities with physical delivery, the following applies:

(1) *Redemption*: The Securities shall be redeemed either

(i) if no Barrier Event has occurred or if a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the

Special Conditions, or

- (ii) if a Barrier Event has occurred and if the Worst Performance (final) is lower than the Strike by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i with the Worst Performance (final), a cash amount will be paid in the amount of the value of the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) (the "**Supplemental Cash Amount**") which is calculated from the Reference Price of the Basket Component_i with the Worst Performance (final) on the Final Observation Date multiplied with the non-deliverable fraction of the Basket Component with the Worst Performance (final) [and [if applicable] divided by FX_i (final)] [and [if applicable] multiplied by FX_i (final).]
- (2) *Automatic Early Redemption:* If an Early Redemption Event has occurred [but no Barrier Event], the Securities will be automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k) on the respective Early Maturity Date (k) pursuant to the provisions of § 6 of the Special Conditions.

[If a Barrier Event has occurred, the Securities will not be early redeemed on any following Observation Date (k). In this case the Securities will be redeemed on the Maturity Date pursuant to the provisions of §§ 3 and 4 of the Special Conditions.]

§ 4

Redemption Amount, Early Redemption Amount

- (1) *Redemption Amount:* The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[Product Type 3: Worst-of Express Securities

[In the case of Securities with cash settlement, the following applies:

- If a Final Redemption Event has occurred but no Barrier Event, the Redemption Amount corresponds to the Maximum Amount.
- If no Final Redemption Event has occurred and no Barrier Event, the Redemption Amount corresponds to the Final Redemption Amount.
- If a Barrier Event has occurred the Redemption Amount is specified according to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times \text{Worst Performance (final)} / \text{Strike}$$

However, in this case the Redemption Amount is not greater than the Nominal Amount.]

[In the case of Securities with physical delivery, the following applies:

- If a Final Redemption Event has occurred and no Barrier Event, the Redemption Amount corresponds to the Maximum Amount.
- If no Final Redemption Event has occurred and no Barrier Event, the Redemption Amount is equal to the Final Redemption Amount.
- If a Barrier Event has occurred and Worst Performance (final) is equal to or greater than the Strike, the Redemption Amount corresponds to the Nominal Amount.]

[Product Type 4: Worst-of Express Plus Securities

[In the case of Securities with cash settlement, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred, the Redemption Amount is specified according to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times \text{Worst Performance (final)} / \text{Strike}$$

However, in this case the Redemption Amount is not greater than the Nominal Amount.]

[In the case of Securities with physical delivery, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred and Worst Performance (final) is equal to or greater than the Strike, the Redemption Amount corresponds to the Nominal Amount.]]

[Product Type 5: Worst-of Express Securities with Additional Amount

[In the case of Securities with cash settlement, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred, the Redemption Amount is specified according to the following formula:

$$\text{Redemption Amount} = \text{Nominal Amount} \times \text{Worst Performance (final)} / (\text{Strike})$$

However, in this case the Redemption Amount is not greater than the Nominal Amount.]

[In the case of Securities with physical delivery, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, the Redemption Amount corresponds to the Nominal Amount.]]

(2) *Early Redemption Amount:* The Early Redemption Amount (k) for an Early Maturity Date (k) is specified in § 1 of the Product and Underlying Data.]

Product Type 6: Worst-of Express Cash Collect Securities

Product Type 7: Worst-of Cash Collect Securities

[In the case of Worst-of Express Cash Collect Securities and Worst-of Cash Collect Securities, the following applies:]

§ 1

Definitions

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

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

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

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

["**Additional Amount Payment Event**" means that the Worst Performance (k) is equal to or greater than the Additional Amount Payment Level (k) on the respective Observation Date (k).]

["**Additional Amount Payment Level (k)**" means the respective Additional Amount Payment Level (k) as specified in § 1 of the Product and Underlying Data. [[This is an indicative value.] The final specification will be made by the Issuer on the [last] Initial Observation Date and will be published by notification pursuant to § 6 of the General Conditions within [five] [•] Banking Days.]]

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

[In the case of a basket consisting of shares as Underlying, the following applies:]

- (a) each measure taken by the company that has issued the respective Basket Component_i or by a third party, which would – due to a change in the legal and economic position, in particular a change in the company's fixed assets and capital – in the reasonable discretion (§ 315 BGB) of the Calculation Agent, affect the respective Basket Component_i; not only immaterially (in particular capital increase against cash contribution, issuance of Securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalisation);
- (b) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (c) an adjustment performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i;
- (d) [a Hedging Disruption occurs];
- (e) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of indices as Underlying, the following applies:]

- (a) changes in the relevant Index Concept or the calculation of the respective Basket Component_i, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the respective Basket Component_i; being no longer economically equivalent to the original relevant Index Concept or the original calculation of the respective Basket Component_i;

- (b) the calculation or publication of the respective Basket Component_i is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the respective Basket Component_i as basis for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities; likewise the Issuer is not responsible for the termination of the license to use the respective Basket Component_i due to an unacceptable increase in license fees (a "**License Termination Event**");
- (d) [a Hedging Disruption occurs;
- (e)] any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the respective Basket Component_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- [(a)] any changes in the Relevant Trading Conditions of the respective Basket Component_i that lead to a situation where, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, as a result of the change, the changed trading conditions are no longer economically equivalent to the Relevant Trading Conditions prior to the change[;
- (b) a Hedging Disruption occurs].]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System [and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") is open for business] [is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre].

["**Banking Day Financial Centre**" means the Banking Day Financial Centre as specified in § 1 of the Product and Underlying Data.]

["**Barrier_i**" means [the Barrier_i as specified in § 1 of the Product and Underlying Data] [Barrier Level_i x K_i (initial)].]

["**Barrier_i (k)**" means [the Barrier_i (k) as specified in § 1 of the Product and Underlying Data] [Barrier Level_i (k) x K_i (initial)].]

[In the case of Securities with continuous Barrier observation, the following applies:

"**Barrier Event**" means that any price of at least one Basket Component_i as published by the [Relevant Exchange_i] [Index Sponsor_i or Index Calculation Agent_i] [Reference Market_i] with continuous observation during the Barrier Observation Period is equal to or less than the respective Barrier_i.]

[In the case of Worst-of Express Cash Collect Securities with date-related Barrier observation, the following applies:

"**Barrier Event**" means that any Performance of the Basket Component_i (b) on the respective Barrier Observation Date is equal to or lower than the respective Barrier Level_i.]

[In the case of Worst-of Cash Collect Securities with date-related Barrier observation, the following applies:

"**Barrier Event**" means that the Worst Performance (b) on the respective Barrier Observation Date is lower than the respective Barrier Level_i.]

[In the case of Securities where the Barrier_i is still to be specified and with date-related Barrier observation, the following applies:

"**Barrier Level_i**" means the Barrier Level_i as specified in § 1 of the Product and Underlying Data. [[This is an indicative value.] The final specification will be made by the Issuer

on the [last] Initial Observation Date and will be published by notification pursuant to § 6 of the General Conditions within [five] [•] Banking Days.]]

[In the case of Securities where the Barrier_i (k) is still to be specified and with date-related Barrier observation, the following applies:

"**Barrier Level_i (k)**" means the Barrier Level_i (k) as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities with continuous Barrier_i observation, the following applies:

"**Barrier Observation Period**" means each Calculation Date from the First Day of the Barrier Observation Period (including) to the Last Day of the Barrier Observation Period (including).]

[In the case of Securities with continuous Barrier_i (k) observation, the following applies:

"**Barrier Observation Period (k)**" means each Calculation Date from the First Day of the Barrier Observation Period (k) (including) to the Last Day of the Barrier Observation Period (k) (including).]

"**Basket Component_i**" means the respective [share][index][commodity] as specified in § 1 of the Product and Underlying Data.

"**Calculation Agent**" means the Calculation Agent as specified in § 2 (2) of the General Conditions.

"**Calculation Date**" means each day on which [the Reference Price_i is published by the [respective Relevant Exchange_i][respective Index Sponsor_i or the respective Index Calculation Agent_i][respective Reference Market_i].

["**Call Event**" means [Share Call Event] [Index Call Event] [Commodity Call Event] [or FX Call Event].]

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

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

in the reasonable discretion (§ 315 BGB) of the Issuer

- [(a)] the holding, acquisition or sale of the respective Basket Component_i or assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer[or
- (b) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or other negative consequences with regard to tax treatment)],

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

["**Clearance System**" means the principal domestic clearance system customarily used for settling trades with respect to the [respective Basket Component_i] [the securities that form the basis of the respective Basket Component_i] as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

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

"**Clearing System**" means [Clearstream Banking AG, Frankfurt am Main ("**CBF**") [Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euro-**

clear Bank") (CBL and Euroclear are individually referred to as an "ICSD" (International Central Securities Depository) and, collectively, the "ICSDs") [Euroclear France SA ("Euroclear France")] [Insert other Clearing System(s)].

[In the case of Worst-of Express Cash Collect Securities with continuous Barrier observation, the following applies:

"**Coupon Barrier Event**" means that any price of at least one Basket Component_i as published by the [Relevant Exchange_i] [Index Sponsor_i or Index Calculation Agent_i] [Reference Market_i] with continuous observation during the Barrier Observation Period (k) is equal to or less than the respective Barrier_i (k).]

[In the case of Worst-of Express Cash Collect Securities with date-related Barrier observation, the following applies:

"**Coupon Barrier Event**" means that any Performance of the Basket Component_i (c) on any Coupon Barrier Observation Date during the Barrier Observation Period (k) is equal to or less than the respective Barrier Level_i (k).]

["**Commodity Call Event**" means each of the following events:

- (a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Reference Market is available or could be determined;
- (b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;
- (d) an adjustment pursuant to § 8 (2) or (3) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

"**Determining Futures Exchange_i**," means the futures exchange, on which respective derivatives of the respective Basket Component_i [or – if derivatives on the respective Basket Component_i are not traded – its components] (the "**Derivatives**") are traded, and as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such Derivative's number or liquidity.

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the respective Basket Component_i [or to its components] at the Determining Futures Exchange_i or a considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another futures exchange as the Determining Futures Exchange_i (the "**Substitute Futures Exchange_i**"). In this case, any reference in these Terms and Conditions to the Determining Futures Exchange_i, shall be deemed to refer to the Substitute Futures Exchange_i.

[In the case of Worst-of Express Cash Collect Securities, the following applies:

"**Early Maturity Date (k)**" means the "Early Maturity Date (k)" as specified in § 1 of the Product and Underlying Data.

"**Early Redemption Amount (k)**" means the "Early Redemption Amount (k)" as calculated or specified by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

"**Early Redemption Event**" means that any Performance of the Basket Component_i (k) is equal to or greater than the respective Early Redemption Level_i (k).

"**Early Redemption Level_i (k)**" means the Early Redemption Level_i (k) as specified in § 1

of the Product and Underlying Data.]

["First Day of the Barrier Observation Period" means the First Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["First Day of the Barrier Observation Period (k)" means the First Day of the Barrier Observation Period (k) as specified in § 1 of the Product and Underlying Data.]

["First Day of the [Best][Worst]-out Period" means the First Day of the [Best][Worst]-out Period as specified in § 1 of the Product and Underlying Data.]

"First Trade Date" means the First Trade Date as specified in § 1 of the Product and Underlying Data.

[In the case of Quanto Worst-of Cash Collect Securities with physical delivery, the following applies:

"Fixing Sponsor_i," means the Fixing Sponsor_i related to the respective FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"FX_i" means the official fixing of the FX Exchange Rate_i as published by the Fixing Sponsor_i on the FX Screen Page_i (or any successor page).

["FX Basket Component_i" means any FX Basket Component_i whose Currency of the Basket Component_i is not the Specified Currency.]

"FX_i Calculation Date" means each day on which FX_i is published by the Fixing Sponsor_i.

["FX Call Event" means that

(a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable New Fixing Sponsor_i (as specified in § 9 (1) of the Special Conditions) or Replacement Exchange Rate_i (as specified in § 9 (2) of the Special Conditions) is available; or

(b) due to the occurrence of special circumstances or force majeure (such as catastrophes, war, terror, insurgency, restrictions on payment transactions, entering of the currency used for the calculation into the European Economic Monetary Union, withdrawing of the relevant country from the European Economic Monetary Union and other circumstances having a comparable impact on FX_i) the reliable determination of FX_i is impossible or impracticable.]

"FX Exchange Rate_i" means the FX Exchange Rate_i as specified in § 2 of the Product and Underlying Data for the respective Currency of the Basket Component_i.

"FX_i (final)" means FX_i on the FX_i Observation Date (final).

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

- (a) the failure of the respective Fixing Sponsor_i to publish the respective FX_i;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of the respective FX_i (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

to the extent that the above-mentioned events are material in the reasonable discretion (§ 315 BGB) of the Calculation Agent.

"FX_i Observation Date (final)" means [the FX_i Observation Date (final) as specified in § 2 of the Product and Underlying Data]. If such day is not a FX Calculation Date, the immediately following FX Calculation Date, which is a Calculation Date shall be the FX_i Observation Date (final).

"FX Screen Page_i" means the FX Screen Page_i related to the FX Exchange Rate_i as specified in § 2 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 in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

under conditions which are economically substantially equivalent to those on the First Trade Date.]

["Increased Costs of Hedging" means that the Issuer has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the First Trade Date in order to

(a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to its obligations under the Securities, or

(b) realise, reclaim or pass on proceeds from such transactions or assets,

whereas cost increases due to a deterioration of the credit-worthiness of the Issuer are not considered as Increased Costs of Hedging.]

["Index Calculation Agent_i" means the Index Calculation Agent_i as specified in § 2 of the Product and Underlying Data.]

["Index Call Event" means each of the following events:

(a) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Basket Component is available;

(b) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];

(c) the relevant Basket Component_i is no longer calculated or published in the relevant Currency of the Basket Component_i;

(d) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable substitute for the respective Index Sponsor_i and/or the respective Index Calculation Agent_i is available;

(e) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

["Index Sponsor_i" means the Index Sponsor_i as specified in § 2 of the Product and Underlying Data.]

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

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

[In the case of Securities where K_i (initial) has already been specified, the following applies:

"K_i (initial)" means K_i (initial) as specified in § 1 of the Product and Underlying Data.]

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

"**K_i (initial)**" means the Reference Price_i on the Initial Observation Date.]

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

"**K_i (initial)**" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Initial Observation Dates.]

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

"**K_i (initial)**" means the [highest][lowest] Reference Price_i on [each of the Initial Observation Dates] [each [Insert relevant date(s)] between the Initial Observation Date and the Last Day of the [Best] [Worst]-in Period (including).]

[In the case of Securities with date-related Barrier observation, the following applies:

"**K_i (b)**" means the Reference Price_i on the respective Barrier Observation Date.]

["**K_i (c)**" means the Reference Price_i on the respective Coupon Barrier Observation Date.]

"**K_i (k)**" means the Reference Price_i on the respective Observation Date (k).

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

"**K_i (final)**" means the Reference Price_i on the Final Observation Date.]

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

"**K_i (final)**" means the equally weighted average of the Reference Prices of the Basket Component_i specified on the Final Observation Dates.]

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

"**K_i (final)**" means the [highest][lowest] Reference Price_i on [each of the Final Observation Dates] [each [Insert relevant date(s)] between the First Day of the [Best] [Worst]-out Period (including) and the Final Observation Date (including).]

["**Last Day of the Barrier Observation Period**" means the Last Day of the Barrier Observation Period as specified in § 1 of the Product and Underlying Data.]

["**Last Day of the Barrier Observation Period (k)**" means the Last Day of the Barrier Observation Period (k) as specified in § 1 of the Product and Underlying Data.]

["**Last Day of the [Best][Worst]-in Period**" means the Last Day of the [Best][Worst]-in Period as specified in § 1 of the Product and Underlying Data.]

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

[In the case of a basket consisting of shares as Underlying, the following applies:

- (a) the failure of the respective Relevant Exchange_i to open for trading during its regular trading sessions;
- (b) the suspension or restriction of trading in the respective Basket Component_i on the respective Relevant Exchange_i;
- (c) in general the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the respective Determining Futures Exchange_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in

the rules of the respective Relevant Exchange_i or, as the case may be, the respective Determining Futures Exchange_i.]

[In the case of a basket consisting of indices as Underlying, the following applies

- (a) in general the suspension or restriction of trading on the exchanges or the markets on which the securities that form the basis of the respective Basket Component_i are listed or traded, or on the respective futures exchanges or on the markets on which Derivatives of the respective Basket Component_i are listed or traded;
- (b) in relation to individual securities which form the basis of respective Basket Component_i, the suspension or restriction of trading on the exchanges or on the markets on which such securities are traded or on the respective futures exchange or the markets on which derivatives of such securities are traded;
- (c) in relation to individual Derivatives of the respective Basket Component_i the suspension or restriction of trading on the futures exchanges or the markets on which such derivatives are traded;
- (d) the suspension of or failure or the non-publication of the calculation of the respective Basket Component_i as a result of a decision by the Index Sponsor_i or the Index Calculation Agent_i;

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price of the respective Basket Component_i and continues at the point of time of the normal calculation and is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Relevant Exchange_i or, as the case may be, the Determining Futures Exchange_i, shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the Relevant Exchange_i or, as the case may be, the Determining Futures Exchange_i.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

- (a) the suspension or the restriction of trading or the price determination of the respective Basket Component_i on the Reference Market_i or
- (b) the suspension or restriction of trading in a Derivative of the respective Basket Component_i on the Determining Futures Exchange_i

to the extent that such Market Disruption Event is material in the reasonable discretion (§ 315 BGB) of the Calculation Agent. Any restriction of the trading hours or the number of days on which trading takes place on the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i shall not constitute a Market Disruption Event provided that the restriction occurs due to a previously announced change in the rules of the respective Reference Market_i or, as the case may be, the respective Determining Futures Exchange_i.]

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

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

"N" means the amount of Basket Components as specified in § 1 of the Product and Underlying Data.

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

"Observation Date" means each of the following Observation Dates:

[In the case of Securities with date-related Barrier observation, the following applies:

"Barrier Observation Date" means each of the Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Barrier Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Barrier Observation Date for [all Basket Components][the relevant Basket Component;].]

[In the case of Worst-of Express Cash Collect Securities with date-related Coupon Barrier observation and postponement of the Coupon Barrier Observation Date of all Basket Components, the following applies:

"Coupon Barrier Observation Date" means each of the Coupon Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Coupon Barrier Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Coupon Barrier Observation Date for all Basket Components.]

[In the case of Worst-of Express Cash Collect Securities with Additional Amount with date-related Barrier observation and postponement of the Coupon Barrier Observation Date of the affected Basket Components, the following applies:

"Coupon Barrier Observation Date" means each of the Coupon Barrier Observation Dates as specified in § 1 of the Product and Underlying Data. If a Coupon Barrier Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Coupon Barrier Observation Date for the affected Basket Component_i.]

"Final Observation Date" means [the Final Observation Date] [each of the Final Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][a] Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Final Observation Date for [all Basket Components][the relevant Basket Component;]. [The Maturity Date shall be postponed accordingly.] [If the last Final Observation Date is not a Calculation Date, the Maturity Date shall be postponed accordingly.] No interest shall become due because of such postponement.

["Initial Observation Date" means [the Initial Observation Date] [each of the Initial Observation Dates] as specified in § 1 of the Product and Underlying Data. If [the][an] Initial Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the [respective] Initial Observation Date for [all Basket Components][the relevant Basket Component;].]

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If the Observation Date (k) is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Observation Date (k) for [all Basket Components] [the respective Basket Component;]. The [respective Early Maturity Date (k) and the] respective Additional Amount Payment Date (k) shall be postponed accordingly. No interest shall become due because of such postponement.

[In the case of Securities with date-related Barrier observation, the following applies:

"Performance of the Basket Component_i (b)" means the Performance of the Basket Component_i on the respective Barrier Observation Date according to the following formula:

$K_i(b) / K_i(\text{initial})$

["Performance of the Basket Component_i (c)" means the Performance of the Basket

Component_i on the respective Coupon Barrier Observation Date according to the following formula:

$$K_i(c) / K_i(\text{initial})]$$

"Performance of the Basket Component_i (k)" means the Performance of the Basket Component_i on the respective Observation Date (k) according to the following formula:

$$K_i(k) / K_i(\text{initial})$$

"Performance of the Basket Component_i (final)" means the Performance of the Basket Component_i on the Final Observation Date according to the following formula:

$$K_i(\text{final}) / K_i(\text{initial})$$

"Principal Paying Agent" means the Principal Paying Agent as specified in § 2 (1) of the General Conditions.

[In the case of Worst-of Cash Collect Securities with physical delivery, the following applies:]

["Ratio_i"] means [,in relation to a Basket Component_i which is no FX Basket Component_i,] the Ratio_i for the respective Basket Component_i [as specified in § 1 of the Product and Underlying Data.][which is specified by the Calculation Agent according to the following formula:

$$\text{Ratio}_i = \text{Nominal Amount} / (K_i(\text{initial}) \times \text{Strike})$$

The Ratio_i shall be rounded up or down to six decimals, with 0.0000005 being rounded upwards.]]

["Ratio_i"] means [,in relation to a Basket Component_i which is a FX Basket Component_i,] the Ratio_i for the respective Basket Component_i which is specified by the Calculation Agent according to the following formula:

$$[\text{Ratio}_i = \text{Nominal Amount} \times \text{FX}_i(\text{final}) / K_i(\text{initial}) \times \text{Strike}]$$

$$[\text{Ratio}_i = \text{Nominal Amount} / K_i(\text{initial}) \times \text{FX}_i(\text{final}) \times \text{Strike}]$$

The Ratio_i shall be rounded up or down to six decimals, with 0.0000005 being rounded upwards.]

"Redemption Amount" means the Redemption Amount as calculated or, respectively, specified by the Calculation Agent pursuant to § 4 of the Special Conditions.

["Reference Market_i"] means the relevant Reference Market_i as specified in § 2 of the Product and Underlying Data.]

"Reference Price_i" means the Reference Price of the relevant Basket Component_i as specified in § 1 of the Product and Underlying Data.

["Relevant Exchange_i"] means the [respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.] [exchange, on which the components of the respective Basket Component_i are traded, as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions in accordance with such components' liquidity.]

In the case of a material change in the market conditions at the [respective] Relevant Exchange_i, such as a final discontinuation of the quotation of the respective Basket Component_i [or, respectively its components] at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the Calculation Agent will in its reasonable discretion (§ 315 BGB) by way of notice pursuant to § 6 of the General Conditions determine another stock exchange as the relevant exchange (the **"Substitute Exchange"**). In this case, any reference in these Terms and Conditions to the respective Relevant Exchange_i shall be deemed to refer to the respective Substitute Exchange.]

"Security Holder" means the holder of a Security.

["Settlement Cycle" means the period of Clearance System Business Days following a transaction on the Relevant Exchange_i [with respect to the relevant Basket Component_i][in the securities that form the basis of the respective Basket Component_i], during which period settlement will customarily take place according to the rules of such Relevant Exchange_i.]

["Share Call Event" means each of the following events:

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased and in the reasonable (§ 315 BGB) of the Calculation Agent no Substitute Exchange could be determined;
- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law [[and/or a Hedging Disruption] [and/or Increased Costs of Hedging]] occur[s];
- (d) an adjustment pursuant to § 8 (1) of the Special Conditions is not possible or not reasonable with regard to the Issuer and/or the Security Holders].]

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

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

"Terms and Conditions" means the terms and conditions of these Securities as set out in the General Conditions (Part A), the Product and Underlying Data (Part B) and the Special Conditions (Part C).

"Underlying" means a Basket consisting of the Basket Components.

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

"Website[s] of the Issuer" means the Website(s) of the Issuer as specified in § 1 of the Product and Underlying Data.

["Worst Performance (b)" means the Performance of the Basket Component_j (b) specified as follows:

Performance of the Basket Component_j (b) = $\min [K_i (b) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

["Worst Performance (k)" means the Performance of the Basket Component_j (k) specified as follows:

Performance of the Basket Component_j (k) = $\min [K_i (k) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

"Worst Performance (final)" means the Performance of the Basket Component_j (final) specified as follows:

Performance of the Basket Component_j (final) = $\min [K_i (\text{final}) / K_i (\text{initial})]$ (with $i = 1, \dots, N$)

§ 2

Interest, Additional Amount

- (1) *Interest:* The Securities do not bear interest.

[In the case of Worst-of Express Cash Collect Securities, the following applies:

- (2) *Additional Amount:* If no Coupon Barrier Event has occurred during the Barrier Observa-

tion Period (k) and all previous Barrier Observation Periods (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions.

If a Coupon Barrier Event has occurred during the Barrier Observation Period (k), the Additional Amount (k) will not be paid on the respective Additional Amount Payment Date (k). I.e., if a Coupon Barrier Event occurs the option of an Additional Amount lapses without taking into account whether a Coupon Barrier Event has occurred during the respective following Barrier Observation Period (k).]

[In the case of Worst-of Cash Collect Securities with Additional Amount (Memory), the following applies:

- (2) *Additional Amount:* If an Additional Amount Payment Event has occurred on an Observation Date (k), the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions less all Additional Amounts paid on the preceding Additional Amount Payment Dates.

If no Additional Amount Payment Event has occurred on an Observation Date (k), the Additional Amount (k) will not be paid on the respective Additional Amount Payment Date (k).]

[In the case of Worst-of Cash Collect Securities with Additional Amount (Relax), the following applies:

- (2) *Additional Amount:* If an Additional Amount Payment Event has occurred on an Observation Date (k) [and no Barrier Event has occurred], the respective Additional Amount (k) will be paid on the respective Additional Amount Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions.

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

[If a Barrier Event has occurred the Additional Amount (k) will not be paid on any following Additional Amount Payment Date (k).]

[In the case of Worst-of Cash Collect Securities with an unconditional Additional Amount, the following applies:

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

§ 3

Redemption

[In the case of Worst-of Express Cash Collect Securities and Worst-of Cash Collect Securities with cash settlement, the following applies:

- (1) *Redemption:* The Securities shall be redeemed by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the Special Conditions.]

[In the case of Worst-of Cash Collect Securities with physical delivery, the following applies:

- (1) *Redemption:* The Securities shall be redeemed either
- (i) if no Barrier Event has occurred or if a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike by payment of the Redemption Amount on the Maturity Date pursuant to the provisions of § 6 of the

Special Conditions, or

- (ii) if a Barrier Event has occurred and if the Worst Performance (final) is lower than the Strike by delivery of the Basket Component_i with the Worst Performance (final) in a quantity expressed by the Ratio_i per Security. If the Ratio_i leads to a non-deliverable fraction of the Basket Component_i with the Worst Performance (final), a cash amount will be paid in the amount of the value of the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) (the "**Supplemental Cash Amount**") which is calculated from the Reference Price of the Basket Component_i with the Worst Performance (final) on the Final Observation Date multiplied with the non-deliverable fraction of the Basket Component_i with the Worst Performance (final) [and [, if the Basket Component_i is a FX Basket Component_i,] divided by FX_i (final)] [and [, if the Basket Component_i is a FX Basket Component_i,] multiplied by FX_i (final)].]

[In the case of Worst-of Express Cash Collect Securities, the following applies:

- (2) If an Early Redemption Event has occurred [but no Coupon Barrier Event until the Observation Date (k)], the Securities will be automatically early redeemed on the immediately following Early Maturity Date (k) by payment of the respective Early Redemption Amount (k) on the respective Early Maturity Date (k) pursuant to the provisions of § 6 of the Special Conditions.

[If a Coupon Barrier Event has occurred until the Observation Date (k), the Securities will not be early redeemed on any following Observation Date (k). In this case the Securities will be redeemed on the Maturity Date pursuant to the provisions of §§ 3 and 4 of the Special Conditions.]]

§ 4

Redemption Amount

- (1) *Redemption Amount:* The Redemption Amount corresponds to an amount in the Specified Currency calculated or specified by the Calculation Agent as follows:

[In the case of Worst-of Express Cash Collect Securities and Worst-of Cash Collect Securities with cash settlement, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred the Redemption Amount is specified according to the following formula:

Redemption Amount = Nominal Amount x Worst Performance (final) / Strike

However, in this case the Redemption Amount is not greater than the Nominal Amount.]

[In the case of Worst-of Cash Collect Securities with physical delivery, the following applies:

- If no Barrier Event has occurred, the Redemption Amount corresponds to the Maximum Amount.
- If a Barrier Event has occurred and the Worst Performance (final) is equal to or greater than the Strike, the Redemption Amount corresponds to the Nominal Amount.]

[In the case of Worst-of Express Cash Collect Securities, the following applies:

- (2) *Early Redemption Amount:* The Early Redemption Amount (k) for an Early Maturity Date (k) is specified in § 1 of the Product and Underlying Data.]]

[Special Conditions that apply for all product types:]

§ 5

[In the case of the Securities with Issuer's Extraordinary Call Right, the following applies:]

Issuer's Extraordinary Call Right

Issuer's extraordinary call right: Upon the occurrence of a Call Event the Issuer may call the Securities extraordinarily by giving notice pursuant to § 6 of the General Conditions and redeem the Securities at their Cancellation Amount. Such call shall become effective at the time indicated in the notice. The application of §§ 313, 314 BGB remains reserved.

The "**Cancellation Amount**" shall be the fair market value of the Securities as of [the tenth Banking Day][*insert days*] before the extraordinary call becomes effective, determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).

The Cancellation Amount will be paid within five Banking Days following the date as of which the extraordinary call becomes effective, or at the date specified in the above mentioned notice, as the case may be, pursuant to the provisions of § 6 of the Special Conditions.]

[In the case of the Securities without Issuer's Extraordinary Call Right, the following applies:]

(intentionally left out)]

§ 6

Payments[, Delivery]

[In the case of Securities where the Specified Currency is the Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

[In the case of Securities where the Specified Currency is not Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]
- (2) *Business day convention:* If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day then the Security Holders shall not be entitled to payment until the next following Banking Day. The Security Holders shall not be entitled to further interest or other payments in respect of such delay.
- (3) *Manner of payment, discharge:* All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.
- (4) *Interest of default:* If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).]

[In the case of Securities with physical delivery, the following applies:]

- (5) *Delivery:* The Delivery of the Basket Components and the payment of a Supplemental Cash Amount shall be made within five Banking Days after the Maturity Date (the "**Delivery Period**") to the Clearing System for credit to the accounts of the relevant depository

banks of the Security Holders. All costs, incl. possible custody fees, exchange turnover taxes, stamp taxes, transaction fees, other taxes or levies (together the "**Delivery Costs**"), incurred as a result of the delivery of the Basket Components, shall be borne by the respective Security Holder. Subject to the provisions of these Terms and Conditions, the Basket Components shall be delivered at the Security Holder's own risk. If the Maturity Date of a delivery or payment is not a Banking Day, such delivery or payment shall be made on the next following Banking Day. Such delay will not constitute any entitlement to interest or other payments. The Issuer shall not be obliged to forward to the Security Holders any notifications or documents of the issuer of the Basket Components that were provided to the Issuer prior to such delivery of the Basket Components, even if such notifications or other documents refer to events that occurred after delivery of the Basket Components. During the Delivery Period the Issuer shall not be obliged to exercise any rights under the Basket Components. The Issuer shall be entitled to claim in the Basket Components that exist prior to or on the Maturity Date, provided that the day, on which the Basket Components are traded for the first time on the Relevant Exchange "ex" of such claim, falls on or prior to such Maturity Date.

- (6) *Transaction Disturbance:* If, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, an event outside of the Issuer's control, which results in the Issuer not being able to deliver the Basket Components pursuant to the Terms and Conditions of these Securities (a "**Transaction Disturbance**") and this Transaction Disturbance has occurred prior to delivery of the Basket Components and continues to exist on the Maturity Date, then the first day of the Delivery Period shall be postponed to the next Banking Day, on which no Transaction Disturbance exists. The Security Holders shall be notified accordingly pursuant to § 6 of the General Conditions. The Security Holders shall not be entitled to interest payment or other amounts, if a delay in the delivery of the Basket Components occurs in accordance with this paragraph. The Issuer shall not be liable in this respect. In the event of a Transaction Disturbance, the Securities may, in the reasonable discretion (§ 315 BGB) of the Issuer and the Calculation Agent be redeemed at the Cash Value of the Redemption Price. The "**Cash Value of the Redemption Price**" is an amount determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) on the basis of the stock exchange or market price of the Basket Components on the Final Observation Date or, should such stock exchange or market prices not be available, the volume weighted average of the stock exchange or market prices in a representative period or, should such volume weighted average not be available, an amount determined by the Calculation Agent in its reasonable discretion (§ 315 BGB).]

§ 7

Market Disruptions

- (1) *Postponement:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on an Observation Date, the respective Observation Date will be postponed to the next following Calculation Date on which the Market Disruption Event no longer exists. [In this case the FX_i Observation Date will be postponed as well to the next following Calculation Date on which the Market Disruption Event no longer exists.]

[If a Market Disruption Event occurs on a FX_i Observation Date, the respective FX_i Observation Date will be postponed to the next following FX Calculation Date on which the FX Market Disruption Event no longer exists.]

Any Payment Date relating to such Observation Date [or FX_i Observation Date] shall be postponed if applicable. Interest shall not be payable due to such postponement.

- (2) *Discretionary valuation:* Should the Market Disruption Event continue for more than [Insert Number of Banking Days] consecutive Banking Days the Calculation Agent shall de-

termine in its reasonable discretion (§ 315 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 determined in accordance with prevailing market conditions at [*Insert time and Financial Centre*] on this [*Insert number of following Banking Day*], taking into account the economic position of the Security Holders.

If within these [*Insert Number of Banking Days*] Banking Days traded Derivatives of the Basket Component_i expire and are settled on the Determining Futures Exchange_i, the settlement price established by the Determining Futures Exchange_i for the there traded Derivatives will be taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the respective Observation Date.

[Should the FX Market Disruption Event continue for more than [*Insert number of Banking Days*] consecutive Banking Days, the Calculation Agent shall determine in its reasonable discretion (§ 315 BGB) the respective FX_i. The FX_i required for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall be determined in accordance with prevailing market conditions at [*Insert time and financial centre*] on this [*Insert number of following Banking Day*] Banking Day, taking into account the economic position of the Security Holders.]

[In the case of a basket consisting of shares as Underlying, the following applies:]

§ 8

Adjustments, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent shall in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the Ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. Any adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified pursuant to § 6 of the General Conditions.
- (2) *Replacement Specification:* If a price of the respective Basket Component_i published by the Relevant Exchange_i pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the Relevant Exchange_i after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish the respective value by using the Corrected Value (the "**Replacement Specification**") pursuant to § 6 of the General Conditions.
- (3) The application of §§ 313, 314 BGB remains reserved.]

[In the case of a basket consisting of indices as Underlying, the following applies:

§ 8

Index Concept, Adjustments, Replacement Basket Component, New Index Sponsor and New Index Calculation Agent, Replacement Specification

- (1) *Index Concept:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Basket Components with their provisions respectively currently applicable, as developed and maintained by the respective Index Sponsor_i, as well as the respective method of calculation, determination, and publication of the price of the respective Basket Component_i (the "**Index Concept**") applied by the respective Index Sponsor_i. This shall also apply if during the term of the Securities changes are made or occur in respect of the respective Index Concept, or if other measures are taken, which have an impact on the respective Index Concept, unless otherwise provided in the below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent shall in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the Ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. Any adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the respective Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified according to § 6 of the General Conditions.
- (3) *Replacement Basket Component:* In cases of an Index Replacement Event or a License Termination Event, the adjustment pursuant to paragraph (2) is usually made by the Calculation Agent in its reasonable discretion (§ 315 BGB) determining, which index should be used in the future as the respective Basket Component_i (the "**Replacement Basket Component**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of these Securities (in particular to Basket Component_i, the Ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the respective Basket Component_i determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Basket Component and the adjustments made as well as the time of its first application will be published in accordance with § 6 of the General Conditions. From the first application of the Replacement Basket Component on, any reference to the replaced Basket Component_i in these Terms and Conditions shall be deemed to refer to the Replacement Basket Component.
- (4) *New Index Sponsor and New Index Calculation Agent:* If the respective Basket Component_i is no longer determined by the respective Index Sponsor_i but rather by another person, company or institution (the "**New Index Sponsor**"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the respective Basket Component_i as determined by the respective New Index Sponsor. In this case, any reference to the replaced Index Sponsor_i in the Terms and Conditions of these Securities shall be deemed to refer to the respective New Index Sponsor. If the respective Basket Component_i is no longer calculated by the respective Index Calculation Agent_i but rather by another person, company or institution (the "**New Index**

Calculation Agent"), then all calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of the respective Basket Component_i as calculated by the respective New Index Calculation Agent. In this case, any reference to the replaced Index Calculation Agent_i in the Terms and Conditions of these Securities shall be deemed to refer to the New Index Calculation Agent_i.

- (5) *Replacement Specification:* If a price of the respective Basket Component_i published by the respective Index Sponsor_i or the respective Index Calculation Agent_i, as the case may be, pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the respective Index Sponsor_i or the respective Index Calculation Agent_i, as the case may be, after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish pursuant to § 6 of the General Conditions the relevant value by using the Corrected Value (the "**Replacement Specification**").
- (6) The application of §§ 313, 314 BGB remains reserved.]

[In the case of a basket consisting of commodities as Underlying, the following applies:

§ 8

Relevant Trading Conditions, Adjustments, Replacement Reference Market

- (1) *Relevant Trading Conditions:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the respective Basket Component_i taking in consideration
 - (a) the method of price determination,
 - (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading) and
 - (c) other value determining factors,applicable on the respective Reference Market_i in respect of the respective Basket Component_i (together the "**Relevant Trading Conditions**"), unless otherwise provided in below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent shall in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities (in particular the Basket Component_i, the Ratio_i and/or all prices of the Basket Components, which have been specified by the Issuer) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. Any adjustment will be performed taking into consideration any adjustments made by the respective Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the respective Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified pursuant to § 6 of the General Conditions.
- (3) *Replacement Reference Market:* In the event of
 - (a) a final discontinuation of the trading in the respective Basket Component_i at the respective Reference Market_i,
 - (b) a material change of the market conditions at the respective Reference Market_i or

- (c) a material limitation of the liquidity of the respective Basket Component_i at the respective Reference Market_i,

with the trading in the same commodity being continued on another market without restrictions, the Calculation Agent in its reasonable discretion (§ 315 BGB) shall determine that such other market will be used in the future as respective Reference Market_i (the "**Replacement Reference Market**"). If necessary, the Calculation Agent will make further adjustments to the Terms and Conditions of these Securities (in particular to the respective Basket Component_i, the Ratio and/or all prices of the respective Basket Component_i, which have been specified by the Issuer) and/or all prices of the respective Basket Component_i determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in order to account for any difference in the method of price determination and the trading conditions applicable to the respective Basket Component_i on the respective Replacement Reference Market_i (in particular in terms of the quality, the quantity and the currency of trading) (together the "**New Relevant Trading Conditions**"), as compared to the original Relevant Trading Conditions. The respective Replacement Reference Market_i and the performed adjustments and the time that it is first applied will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the respective Replacement Reference Market_i, any reference to the replaced Reference Market_i in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Reference Market_i.

- (4) The application of §§ 313, 314 BGB remains reserved.]

[In the case of Quanto Securities with physical delivery, the following applies:

§ 9

New Fixing Sponsor, Replacement Exchange Rate

- (1) *New Fixing Sponsor:* In the event that the FX Exchange Rate_i is no longer determined and published by the [respective] Fixing Sponsor_i, the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of the determinations and publications by another person, company or institution which shall be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) (the "**New Fixing Sponsor**"). The New Fixing Sponsor and the time of its first application shall be published pursuant to § 6 of the General Conditions. In this case, any reference to the replaced Fixing Sponsor_i in the Terms and Conditions of these Securities shall be deemed to refer to the New Fixing Sponsor.
- (2) *Replacement Exchange Rate:* In the event that the FX Exchange Rate is no longer determined and published, the calculations or, respectively, specifications described in the Terms and Conditions of these Securities shall occur on the basis of a FX Exchange Rate_i determined and published on the basis of another method, which will be determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) (the "**Replacement Exchange Rate**"). The Replacement Exchange Rate and the time of its first application shall be published pursuant to § 6 of the General Conditions. In this case, any reference to the replaced FX Exchange Rate_i in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Exchange Rate.
- (3) The application of §§ 313, 314 BGB remains reserved.]

Conditions of the Securities incorporated by reference in the Base Prospectus

In connection with Securities which are publicly offered or admitted to trading for the first time before the date of this Base Prospectus and in connection with an increase of Securities the Conditions of the Securities as included in:

- the base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities; and
- the Base Prospectus of UniCredit Bank AG dated 20 April 2015 for the issuance of Securities with Multi-Underlying (without capital protection)

are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 166 et seq.

DESCRIPTION OF INDICES COMPOSED BY THE ISSUER OR BY ANY LEGAL ENTITY BELONGING TO THE SAME GROUP

The description of indices composed by the Issuer or by any legal entity belonging to the same group included in the base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities is hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 166 et seq.

FORM OF WAIVER NOTICE

The form of Waiver Notice is applicable for Securities which shall be admitted to trading on an Italian regulated or other equivalent market:

FORM OF WAIVER OF EXERCISE

(Name of Securities and ISIN)

To: **UniCredit Bank AG**

Facsimile: + 39 02 49535357

Failure properly to complete this waiver of exercise or to submit a substantially similar form of waiver of exercise shall result in the waiver of exercise being treated as null and void.

PLEASE USE BLOCK CAPITALS

1. Details of Holder(s) of the Securities

Name:

Address:

Facsimile:

Telephone:

2. Details of Tranche of Securities

The Tranche of Securities to which this waiver of exercise relates:

3. Waiver of Automatic Exercise

I/We, being the holder of the Securities referred to below forming part of the above Tranche of Securities, hereby waive the automatic exercise of such Securities in accordance with the Conditions thereof.

4. Number of Securities

The number of Securities is as follows:

5. Dated

6. Signed

FORM OF FINAL TERMS

Final Terms

dated [●]

UniCredit Bank AG

Issue of [*Insert title of the Securities*]

(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 Section 6 para. 3 of the German Securities Prospectus Act, at the date of the Base Prospectus (Wertpapierprospektgesetz, the "**WpPG**"). In order to get the full information the Final Terms are to be read together with the information contained in the base prospectus of UniCredit Bank AG (the "**Issuer**") dated 18 May 2016 for the issuance of Securities with multi-underlying (without capital protection) (the "**Base Prospectus**") and in any supplements to the Base Prospectus according to Section 16 WpPG (the "**Supplements**").*

*The Base Prospectus, any Supplements and these Final Terms are available on [*Insert website(s)*] in accordance with Section 14 WpPG. The Issuer may replace these website(s) by any successor website(s) which will be published by notice in accordance with Section 6 of the General Conditions.*

[In case of a continuance of a public offer or an increase of Securities, which in each case, have been publicly offered or admitted to trading for the first time before the date of the Base Prospectus, the following applies:

*These Final Terms are to be read in conjunction with the Base Prospectus as well as the Description of the Securities and the Conditions of the Securities as included in the [*base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities*][*base prospectus of UniCredit Bank AG dated 20 April 2015 for the issuance of Securities with Multi-Underlying (without capital protection)*] which are incorporated by reference into the Base Prospectus.]*

[An issue specific summary is annexed to these Final Terms.]⁶

SECTION A – GENERAL INFORMATION

Issue date and issue price:

[Insert issue date]⁷

[The issue date for each Security is specified in § 1 of the Product and Underlying Data.]

⁶ No issuance-specific summary is required in case of Securities with a minimum denomination of 100,000 Euro which are not publicly offered.

⁷ In the case of multi series issuances the issue dates of each series may be included in tabular form.

[Insert issue price]⁸

[The issue price per Security is specified in § 1 of the Product and Underlying Data.]

[The issue price per Security will be determined by the issuer on [Insert] on the basis of the product parameters and the current market situation (in particular the price of the Basket Components, the implied volatility, interest rates, dividend expectations and lending fees). The issue price and the on-going offer price of the Securities will be published [on the websites of the stock exchanges where the Securities will be traded] [on [Insert website]] after its specification. 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.]

Selling concession:

[Not applicable] [An upfront fee in the amount of [Insert] is included in the Issue Price.] [Insert details]

Other commissions:

[Not applicable] [Insert details]

Issue volume:

The issue volume of [the] [each] Series [offered] [issued] under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

The issue volume of [the] [each] Tranche [offered] [issued] under and described in these Final Terms is specified in § 1 of the Product and Underlying Data.

Product Type:

- [Worst-of Bonus [Classic] Securities]
- [Worst-of Bonus Cap Securities]
- [Worst-of Express [Classic] Securities]
- [Worst-of Express Plus Securities]
- [Worst-of Express Securities with Additional Amount]
- [Worst-of Express Cash Collect Securities]
- [Worst of Cash Collect Securities]

Admission to trading and listing:

[If an application of admission to trading of the Securities has been or will be made, the following applies:

Application [has been] [will be] made for the Securities to be admitted to trading with effect from [Insert expected date] on the following regulated or other equivalent markets: [Insert relevant regulated or other equivalent market(s)].]

[If the Securities are already admitted to trading, the following applies:

The Securities are already admitted to trading on the following regulated or other equivalent markets: [Insert relevant regulated or other equivalent market(s)]]

[In the case of Securities that are listed with [Insert relevant regulated or other equivalent market(s)]: The [Insert name of the Market Maker] (also the "**Market Maker**") undertakes to provide liquidity through bid and offer quotes in accordance with the market making rules of [Insert rele-

⁸ In the case of multi series issuances the issue prices of each series may be included in tabular form.

vant regulated or other equivalent market(s)], where the Securities are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organized and managed by *[Insert relevant regulated or other equivalent market(s)]*, and the relevant instructions to such rules. [Moreover, the Market Maker undertakes to apply, in normal market conditions, a spread between bid and offer quotes not higher than [•] %.]

[If securities of the same class of the Securities admitted to trading are already admitted to trading on a regulated or equivalent market, the following applies:

To the knowledge of the Issuer, securities of the same class of the Securities to be offered or admitted to trading are already admitted to trading on the following markets: *[Insert relevant regulated or other equivalent market(s)]*

[Not applicable. No application for the Securities to be admitted to trading on a regulated or equivalent market has been made and no such application is intended.]

[Application to listing [will be] [has been] made as of *[Insert expected date]* on the following markets: *[Insert relevant market(s)]*.]

[The Securities are already traded on the following markets: *[Insert relevant market(s)]*.]

Payment and delivery:

[If the Securities will be delivered against payment, the following applies:

Delivery against payment]

[If the Securities will be delivered free of payment, the following applies:

Delivery free of payment]

[Insert other method of payment and delivery]

Notification:

The Federal Financial Supervisory Authority (the "BaFin") has provided to the competent authorities in France, Italy, Luxembourg, Poland and the Czech Republic 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:

[Day of the first public offer: *[Insert the day of the first public offer]*]

[Start of the new public offer: *[Insert Start of the new public offer]* [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]

[The Securities are [initially] offered during a Subscription Period[, and continuously offered thereafter]. Subscription Period: *[Insert start date of the subscription period]* to *[Insert end date of the subscription period]*.]

[A public offer will be made in [France][,] [and] [Italy][,] [and] [Luxembourg][,][and][Poland] [and] [the Czech Republic].]

[The smallest transferable unit is *[Insert smallest transferable unit]*.]

[The smallest tradable unit is *[Insert smallest tradable unit]*.]

[The Securities will be offered to [qualified investors][,] [and/or] [retail investors] [and/or] [institutional investors] [by way of [a private placement] [a public offering]] [by financial intermediaries].]

[As of the [day of the first public offer] [start of the new public offer] the Securities described in the Final Terms will be offered on a continuous basis.]

[The continuous offer will be made on current ask prices provided by the Issuer.]

[The public offer may be terminated by the Issuer at any time without giving any reason.]

[No public offer occurs. The Securities shall be admitted to trading on a regulated or other equivalent market.]

Consent to the use of the Base Prospectus:

[In the case of a general consent, the following applies:

The Issuer consents to the use of the Base Prospectus by all financial intermediaries (so-called general consent).

Such consent to use the Base Prospectus is given [for the following offer period of the Securities: *[Insert offer period for which the consent is given]*] [during the period of the validity of the Base Prospectus]. General consent for the subsequent resale or final placement of Securities by the financial intermediaries is given in relation to [France][,] [and] [Italy][,] [and] [Luxembourg][,][and][Poland] [and the Czech Republic].]

[In the case of an individual consent the following applies:

The Issuer consents to the use of the Base Prospectus by the following financial intermediaries (so-called individual consent):

[Insert name(s) and address(es)].

Such consent to use the Base Prospectus is given for the following period: *[Insert period]*.

Individual consent for the subsequent resale or final placement of the Securities by the financial intermediar[y][ies] is given in relation to [France][,] [and] [Italy][,] [and] [Luxembourg][,][and][Poland] [and the Czech Republic] to *[Insert name[s] and address[es]] [Insert details]*.

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

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

[Not applicable. No consent is given.]

U.S. Selling Restrictions:

[TEFRA C]

[TEFRA D]

[Neither TEFRA C nor TEFRA D]⁹

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

[With regard to trading of the Securities the Issuer has a conflict of interest being also the Market

⁹ Only applicable in the case of Securities, which are qualified as registered obligation in terms of Section 5f.103-1 of the United States Treasury Regulations and Notice 2012-20, and in case of Securities in bearer form (bearer securities) in terms of Notice 2012-20 of the United States Internal Revenue Service (IRS) with a maturity of one year or less (including unilateral rollovers or extensions).

Maker on the [*Insert relevant regulated or other equivalent market(s)*];[.]] [moreover] [[T][t]he [*Insert relevant regulated or other equivalent market(s)*] is organized and managed by [Insert name], a company in which UniCredit S.p.A. – the Holding Company of UniCredit Bank AG as the Issuer – has a stake in.] [The Issuer is also the arranger and the Calculation Agent of the Securities.] [The Issuer or one of its affiliates acts as [index sponsor][,] [index calculation agent][,] [index advisor] [or] [index committee].]

Additional information:

[*Insert additional provisions relating to the Underlying*]

[Not applicable]

SECTION B – CONDITIONS:

Part A - General Conditions of the Securities

Form, Clearing System, Global Note, Custody

Type of the Securities:	[notes] [certificates]
Global Note:	[The Securities are represented by a permanent global note without interest coupons] [The Securities are initially represented by a temporary global note without interest coupons which will be exchangeable for a permanent global note without interest coupons]
Principal Paying Agent:	[UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [<i>Insert name and address of other paying agent</i>]
French Paying Agent:	[applicable] [not applicable]
Calculation Agent:	[UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [<i>Insert name and address of other calculation agent</i>]
Clearing System:	[CBF] [CBL and Euroclear Bank] [Euroclear France] [Euroclear Bank] [<i>insert other Clearing System</i>]

Part B - Product and Underlying Data

[Insert "Product and Underlying Data" (including relevant options contained therein) and complete relevant placeholders]

Part C - Special Conditions of the Securities

[Insert the relevant Option of the "Special Terms and Conditions of the Securities" (including relevant options contained therein) and complete relevant placeholders]

UniCredit Bank AG

TAXES

The following section discusses certain tax issues associated with the purchase, ownership and disposal of the securities. The discussion is limited to certain tax issues in Germany, , Luxembourg, Italy, France, the Czech Republic, Poland and the United States of America.

In addition, it is not intended as a comprehensive discussion of all possible tax consequences under those legal systems. It is quite possible that there are other tax considerations that may be relevant when making a decision to invest in the securities. As each security may be subject to different tax treatment due to the special conditions of the issue in question as indicated in the final conditions, the following section also contains only very general information on the possible tax treatment. In particular, the discussion does not take into account special aspects or circumstances that may be relevant to the individual investor. It is based on the tax laws in effect in Germany, Luxembourg, Italy, France, the Czech Republic, Poland and the United States of America on the date of this basic prospectus. These laws are subject to change. Such changes can also be made retroactively.

The taxation of income from the securities also depends on the concrete terms and conditions of the securities and the individual tax situation of each investor.

The issuer assumes no responsibility for deducting any withholding taxes.

Investors and interested parties are urgently advised to consult their tax advisor with regard to taxation in their particular case.

EU Savings Directive

On 3 June 2003 the EU Council passed the Directive 2003/48/EC on the taxation of savings income in the form of interest income ("**EU Savings Directive**"). Since 1 July 2005, all member states have been required under the terms of the EU Savings Directive to communicate information to the competent authorities of other member states on interest payments and equivalent payments paid in the reporting member state to a person resident in another member state. However, some member states were permitted during a transitional period to deduct a withholding tax, which now amounts to 35%. Austria is now the only state still exercising this right.

On 10 November 2015 the EU Council issued a directive to repeal the EU Savings Directive. Consequently, the EU Savings Directive has no longer been in effect since 1 January 2016 in any country except Austria. However, the repeal is subject to certain administrative obligations remaining in force such as the reporting and exchange of information with regard to withholding taxes and the deduction of withholding tax payments prior to 1 January 2016. In Austria the repeal will come into effect no later than 1 January 2017. Under certain circumstances the directive may be repealed as of 1 October 2016.

OECD Common Reporting Standard, EU Administrative Cooperation Directive

Under the "**OECD Common Reporting Standard**," the states required to apply that standard (participating states) are required from 2016 onward to exchange information on financial accounts held by individuals outside their country of residence. The same applies as of 1 January 2016 for the member states of the European Union. On the basis of a supplement to the Directive 2011/16/EU on administrative cooperation in the field of taxation (the "**EU Administrative Cooperation Directive**"), the member states are also required from that date onward to exchange financial information on reportable accounts held by persons who reside in another EU member state. Investors should obtain information and/or seek advice on further developments.

Financial Transaction Taxes

European Financial Transaction Tax

On 14 February 2013 the European Commission issued a draft directive (the “**Commission proposal**”) for a common system of financial transaction tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Portugal, Slovenia and Slovakia (the "Participating Member States"). However, Estonia decided not to take part in the discussions anymore.

The scope of the Commission proposal is very broad and the proposal could, insofar as it is introduced, under certain conditions apply to specific security transactions (especially secondary market transactions).

Under the commission proposal, the financial transaction tax could apply under specific circumstances to certain individuals, both inside and outside the Participating Member States. Generally, it would apply to certain transactions with securities, in which at least one party is a financial institution and at least one party is established in a Participating Member State. A financial institution may under various conditions could be established in a Participating Member State - or be considered as established - in particular (a) through transactions with a company established in a Participating Member State or (b) in cases where the underlying financial instrument of the transaction is issued in a Participating Member State.

The proposed financial transaction tax is the subject of negotiations between the Participating Member States. It could therefore be amended before the implementation, which date is unclear. Other Member States could decide to participate.

Besides a possible European Transaction Tax, France and Italy have already introduced its own financial transaction tax.

Investors are advised to seek professional advice regarding financial transaction taxes.

French Financial Transaction Taxes

France decided the introduction of a French Financial Transaction Tax (FFTT) by law of 14 March 2012 (see. Art. 5 of Law no. 2012-354). Taxable is the purchase and certain corporate actions of French equities, ADRs and certificates if these

- are admitted for trading on a regulated French, European or foreign market and
- if the acquisition justifies a transfer of ownership (e.g. pecuniary deposit transfer, exercise of an option/ of a forward contract, swap or assignment of securities against pecuniary) and
- were issued by a company whose registered office is located in France and its market capitalization had exceeded 1 billion euros on January 1 of the tax year.

Italian Financial Transaction Taxes

In 2012, the Italian Parliament has passed the law on Italian Financial Transaction Tax (IFTT) "Law no. 228/2012". Effective since 1 March 2013, the acquisition of

- Stocks of Italian limited companies whose capitalization exceeds EUR 500 million and
- other equity instruments of these public limited companies (this includes e.g. DRs¹⁰)

¹⁰ So-called Depository Receipts or Global Depository Receipts. These certificates representing ownership of a stored stock.

is taxable. The tax is payable for the relevant products regardless of the transaction location or the legal seat of the parties involved.

According to the law, the taxation of derivatives is carried out since 1 September 2013. Concerning derivatives the IFTT arises for both contracting parties (buyer- and seller-party).

Germany

Taxation of the securities in Germany

Income tax

The following section begins with a description of the tax aspects for persons resident in Germany, followed by a description of the tax aspects for persons not resident in Germany.

Persons resident in Germany

Residents of Germany are required to pay income tax in Germany on their world-wide income (unlimited tax liability). This applies regardless of the source of the income and includes interest from financial claims of any kind (e.g. the securities) and, as a rule, gains on disposal.

Natural persons are subject to income tax and legal entities to corporate tax. In addition, the solidarity surcharge must be paid and, if applicable, church tax and/or business tax. In case of partnerships, the tax treatment depends on the partners (including any indirect shareholders). This section does not discuss the special aspects of the taxation of partnerships.

A person is deemed a resident of Germany if his/her place of residence or habitual abode is located there or, in case of legal entities, its domicile or senior management.

(1) Taxation of securities held as part of personal assets

The following applies to persons resident in Germany who hold the securities as part of their personal assets:

(a) Income

The securities should qualify as other financial claims within the meaning of § 20 (1) No. 7 of the Income Tax Act ("**ESTG**").

Similarly, interest payments on the securities should qualify as investment income.

Gains or losses on disposal of the securities should also qualify as positive or negative investment income. A gain/loss on disposal is equal to the difference between the purchase cost and the sale proceeds. In addition, only expenses directly and materially related to the sale transaction can be deducted.

For warrants, the disposal gains/losses should be calculated as the value of the amount of cash or other benefit received less the expenses directly related to the sale, e.g. the purchase costs for the warrant.

For transactions not executed in euros, the purchase costs and the sale proceeds must be converted into euros based on the exchange rate at the times of the respective transactions.

If the securities are not sold, but rather redeemed, repaid, assigned or deposited in a corporation as hidden contributions, then these events are treated as a disposal.

Losses on disposal can only be set off against other investment income. If there is no other investment income, the losses can be carried forward to future taxation periods.

According to the current opinion of the tax authorities, no disposal is deemed to occur if the sale price does not exceed the actual transaction costs. Consequently, losses from such a transaction are not deductible. The same applies in case of an agreement under which the transaction costs are limited by charging them in the form of a deduction from the sale price. In the same way, a default

will not be treated as a disposal (e.g. in case the issuer becomes insolvent). The same applies to a debt writedown unless there are hidden contributions in a corporation. As a result, losses from a default or debt writedown are not deductible in the opinion of the tax authorities. In the view of the issuer, however, losses from other causes (e.g. due to a decrease in value of an underlying) should be deductible, subject to the above-mentioned restrictions on the setting off of losses and to the contents of the following paragraph. However, investors should note that this opinion of the issuer cannot be taken as a guarantee that the tax authorities and/or courts will agree.

Moreover, the tax authorities are currently of the opinion that, in case of a barrier warrant with several payment dates before final maturity, the income at those dates represents interest income. This would always be the case unless the issue conditions contain clear stipulations on repayment or partial repayments during the term of the warrant and the contractual partners proceed accordingly. If no further payments are made on these certificates at final maturity, then an event comparable to a disposal in the meaning of § 20 (2) of the Income Tax Act (EStG) is not deemed to exist, which means that any remaining purchase costs would not be tax deductible. Similarly, if no payment is due for a certificate at final maturity because the price of the underlying is outside a range specified in the issue conditions, or if the certificate is terminated prematurely with no further capital payments because the underlying is no longer within the range (e.g. for knock-out warrants), a disposal in the meaning of § 20 (2) of the Income Tax Act (EStG) is not deemed to exist. Here, too, therefore, any remaining purchase costs would not be tax deductible. Although the opinion published by the authorities applies only to such products as knock-out certificates with several payout dates, the application of the above principles to other securities cannot be ruled out.

If the final conditions of the securities stipulate physical delivery of debentures, equities, fund shares or other securities at final maturity instead of cash settlement, the securities could qualify as convertible bonds, exchangeable bonds or similar instruments. That depends on the detailed terms of the final conditions of the securities, e.g. whether the issuer or the investor can opt for physical settlement. In that case, the physical settlement could be seen as the disposal of the securities followed by the purchase of the securities received. Depending on the wording of the final conditions, however, the original purchase costs of the securities could be treated either as notional disposal proceeds for the securities or notional purchase costs for the securities received (§ 20 (4a) (3) EStG), so that ultimately no taxable disposal gains should arise at the time of settlement. However, disposal gains arising from the onward sale of the received securities are always taxable.

(b) Capital gains tax / withholding tax

Investment income (e.g. interest and disposal gains) is generally subject to capital gains tax in the form of a tax deduction when it is paid out.

If a German branch of a German or foreign financial institution or financial services provider or a German securities trading company or German investment bank (referred to as a "**disbursing institution**") keeps the securities in custody, pays out the investment income, or credits it to the investor's account, the paying institution deducts the capital gains tax (for exceptions see below).

The capital gains tax is always calculated on the basis of the gross investment income (as described above, i.e. before deduction of capital gains tax). However, if the disbursing institution does not know the amount of the purchase costs in case of disposal transactions, for example because the securities were transferred from a foreign securities account, and if the purchase costs are not documented by the taxpayer in the form required by law, the tax deduction is calculated as 30% of the proceeds from the sale or redemption of the securities. When determining the basis for calculation, the disbursing institution must deduct any negative investment income not previously taken into account (e.g. disposal losses) and accrued interest from the same calendar year or previous years up to the amount of the positive investment income.

The capital gains tax rate is 26.375 % (including the solidarity surcharge, plus church tax if applicable).

If the investor is subject to church tax, it is collected in addition to the capital gains tax unless the investor has submitted an objection to the Federal Central Tax Office on the retrieval of data on

religious affiliation (restriction entry). In case of a restriction entry, the investor is obliged to report all investment income in his/her tax return for church tax purposes.

Capital gains tax is not deducted if the investor has submitted an exemption declaration to the disbursing institution. However, the institution will refrain from deducting the withholding tax only as long as the investor's total investment income does not exceed the amount indicated in the exemption declaration. At present the maximum exemption is EUR 801.00 (EUR 1,602 in case of jointly assessed spouses and registered domestic partners). Similarly, no capital gains tax is deducted if the investor provides the disbursing institution with a tax exemption certificate from the tax office with jurisdiction over his/her place of residence.

The issuer is not obliged to deduct and transfer capital gains tax for payments in connection with the securities.

(c) *Assessment procedure*

In general, the tax treatment of investment income takes the form of capital gains tax deductions (see above). If capital gains tax is deducted, the deducted amount will generally cover the payable taxes (flat tax on investment income).

If no capital gains tax is deducted, and this is not the result of an exemption declaration or certain other cases, then the investor is obliged to file a tax return. The investment income is then taxed on the basis of an assessment procedure. Even if capital gains tax has been deducted, investors subject to church tax who have requested a blocking entry with the Federal Central Tax Office must report their investment income in their tax returns for church tax purposes.

The special tax rate for investment income (26.375 %, including the solidarity surcharge, and plus church tax if applicable) generally applies in the assessment procedure as well. In certain cases the investor can submit an application requesting the application of individual income taxation to investment if that treatment is more favourable. However, this application can be submitted only to request such treatment of all investment income within a given assessment period. In case of jointly assessed spouses or registered partners, only a joint application is permitted.

When determining the investment income, the fixed savings income deduction of EUR 801 (EUR 1,602 for jointly assessed spouses/partners) can be recognised as an expense. Actual expenses, if any, cannot be deducted. This also applies if the investment income is subject to individual income taxation.

(2) *Tax treatment of securities held as business assets*

Interest income and disposal gains are also subject to taxation in Germany in case of securities held as business assets. If the investor is a legal entity, the investment income is subject to corporate tax at a rate of 15 %. If the investor is a natural person, the investment income is subject to an individual income tax at a rate of up to 45 %. The solidarity surcharge also applies. This is equal to 5.5 % of the corporate or income tax. In addition, business tax may be payable at the rate set by the community in which the business enterprise is located. In case of natural persons, church tax may also be payable.

If the final conditions of the securities stipulate physical delivery of debentures, equities, fund shares or other securities at final maturity instead of cash settlement, such physical delivery would be regarded as the taxable disposal of securities. Any disposal gains would be taxable; any disposal losses should be deductible in principle.

The regulations for capital gains tax as outlined above for privately held securities are generally applicable. However, investors who hold securities as business assets cannot submit an exemption declaration. Moreover, unlike in the case of privately held securities, no capital gains tax is deducted in case of disposal gains, for example if (a) the investor is a corporation, an association of individuals or an estate or (b) the capital gains represent business income of a domestic business operation and the investor submits a declaration to this effect to the disbursing institution using the required official form.

In case of securities held as business assets, the deducted capital gains tax is treated as an advance payment of income or corporate tax and is credited or refunded in the assessment procedure.

Persons not resident in Germany

Persons who are not tax residents of Germany are generally not liable for tax payments in Germany on income from the securities.

This does not apply, however, if (i) the securities are part of business assets for which a business operation is maintained in Germany or for which a permanent representative is appointed or if (ii) for other reasons, the income from the securities belongs to domestic income within the meaning of § 49 of the German Income Tax Act (EStG). In both of these cases, the investor is subject to limited tax liability in Germany for the income from the securities. In general, the information given for persons resident in Germany then applies (see above).

Other taxes

Inheritance and gift tax

In general, inheritance tax applies in Germany in connection with the securities if either the testator or the heir is a tax resident of Germany or if the securities are part of business assets for which a business operation is maintained or a permanent representative is appointed in Germany. Similarly, gift tax applies in Germany if either the benefactor or the presentee is a tax resident of Germany or if the securities are part of business assets for which a business operation is maintained or a permanent representative is appointed in Germany. The exemptions applicable to inheritance and gift tax in such cases were declared unconstitutional in the version then in effect by the Federal Constitutional Court in a ruling of 17 December 2014. A deadline of 30 June 2016 was set for a new regulation to be passed. Under an order issued by the top state tax authorities, inheritance and gift tax assessments will be issued on a preliminary basis until a new statutory regulation comes into force. Taxpayers whose securities are part of business assets should pay close attention to legal developments and consult their tax advisor as needed.

Due to the few double taxation treaties in effect with regard to inheritance and gift tax, tax regulations may differ. Moreover, special regulations apply to German citizens living abroad who formerly resided in Germany.

Other taxes

No stamp duty, issuance tax, registration tax or similar taxes apply in Germany with regard to the issue, delivery or printing of securities. No wealth tax is collected in Germany at present.

Luxembourg

This section provides a general description of withholding tax procedures in Luxembourg in connection with the securities. This description is not to be regarded as a comprehensive analysis of all tax considerations in connection with the securities in Luxembourg or elsewhere. Prospective buyers of the securities should consult their own tax advisors with regard to the countries whose tax laws may be relevant to buying, holding and selling the securities and receiving interest, capital and/or other amounts in connection with them and on the impact of these actions under Luxembourg tax law. This summary is based on the laws in effect at the date of this prospectus. The information in this section is limited to issues pertaining to withholding tax; prospective investors should not apply the information provided below to other areas, for example questions of the legality of transactions in securities.

Withholding tax and self-assessment

Under current Luxembourg laws, all interest and capital payments made by the issuer in connection with holding, selling, the redemption or repurchase of the securities can be made without deducting or withholding any amounts for or on account of taxes of any kind imposed, charged, retained or assessed by Luxembourg or a Luxembourg municipality, or a tax authority of Luxembourg or the municipality, with the possible exception of payments to (or, under certain circum-

stances, in the interests of) individual holders of securities domiciled in Luxembourg and certain so-called "entities" within the meaning of the EU Savings Directive.

Investors not resident in Luxembourg

Pursuant to the Luxembourg laws of 21 June 2005, as amended from time to time, for the implementation of the EU Savings Directive (the "Implementation Laws") and several treaties with certain dependent or associated territories (the "**Territories**"), since 1 January 2015 Luxembourg has no longer applied the previous system of withholding tax, and instead engages in the automatic exchange of information. Since 1 January 2016 the provisions of the expanded EU Administrative Cooperation Directive have been in effect.

In this context, Luxembourg paying agents (within the meaning of the EU Savings Directive) are required to report to the competent Luxembourg authorities all interest income and comparable income credited or disbursed to (or in the interests of) private individuals or so-called established entities resident or established in another member state of the European Union or the territories as of 1 January 2015. The above-mentioned responsible Luxembourg authority will forward the information thus received on interest income or comparable income to the competent authorities of the state of residence of the natural person or the state in which the entity is established or exists. The definition of comparable income within the meaning of the Implementation Laws includes interest arising or realised in connection with the disposal, reimbursement or redemption of claims. With regard to the so-called established entities, the Implementation Laws apply the definition in Article 4.2 of the EU Savings Directive, according to which a legal entity is not considered a paying agent if (a) it is not a legal person (the Finnish company types *avoin yhtiö* and *kommandiittiyhtiö / öppet bolag* and the Swedish company types *handelsbolag* and *kommanditbolag* are not considered legal persons in this regard), (b) its profits are not taxed under the general arrangements for business taxation; and (c) it is not an UCITS (undertakings for collective investment in transferable securities) recognised in accordance with Directive 85/611/EEC as amended through the Directive 2009/65/EC) or a similar investment fund.

Investors resident in Luxembourg

Under the Luxembourg law of 23 December 2005 as amended from time to time (the "**Law of 23 December 2005**"), a withholding tax of 10 % was introduced for interest income (i.e. interest income within the meaning of the Implementation Laws, with certain exceptions.)

Under the Law of 23 December 2005, a Luxembourg withholding tax of 10 % is collected on interest and similar income paid out by Luxembourg paying agents to natural persons resident in Luxembourg who are the economic beneficiaries of the payments. The same applies to interest and similar income collected by them in the direct interests of such persons. The party owing the withholding tax is the Luxembourg paying agent.

Moreover, under the Law of 23 December 2005, natural persons resident in Luxembourg may opt for self-assessment for their private asset management and pay a 10 % levy if they are the economic beneficiaries of interest payments paid by a paying agent located in another member state of the European Economic Area or a state or territory that has entered into a treaty referring directly to the EU Savings Directive. The decision to pay the 10 % levy must apply to all interest payments made by paying agents to the economic beneficiary resident in Luxembourg during the entire calendar year.

The above-mentioned 10 % withholding tax and the 10 % levy applies as fully paid if the natural persons resident in Luxembourg are engaged in the management of their personal assets.

Italy

This section contains a brief summary on tax implications related to the Securities for Italian tax laws purposes. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with particular situations which may be of relevance for specific potential investors. It is based on the currently valid Italian tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation as of the date of this Base Prospectus, all of

which may be amended from time to time. Such amendments may also be effected with retroactive effect and may negatively impact the tax consequences described below. Potential purchasers of the Securities should consult with their legal and tax advisors to check tax implications of their possible investment in the Securities.

This section does not constitute a tax advice and does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

Tax Treatment of the Securities

Interest and other proceeds - Securities that qualify as "obbligazioni o titoli similari alle obbligazioni" (bonds)

For income tax purposes, debentures similar to bonds are defined as securities that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value (i.e., the issuer is legally obliged to reimburse the principal amount to the bond holder) and that do not give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued. Pursuant to Legislative Decree No. 239 of April 1, 1996 ("**Decree No. 239**"), as amended and restated, and pursuant to Art. 44 paragraph 2(c) of Presidential Decree No. 917 of December 22, 1986 ("**Decree No. 917**"), as amended and restated, in general, interest and other proceeds (including the difference between the redemption amount and the issue price) in respect of securities that qualify as bonds or debentures similar to bonds and that are issued by a non-Italian resident issuer may be subject to final Italian substitutive tax if owed to beneficial owners resident in Italy for tax purposes, depending on the legal status of the beneficial owners.

Italian Resident Security Holders Applicability of Substitutive Tax

In particular, pursuant to Decree No. 239, as amended and restated, payments of interest and other proceeds in respect of securities that qualify as "bonds" to Italian resident beneficial owners (either when interest and other proceeds are paid or when payment thereof is obtained by a beneficial owner on a transfer of Securities) will be subject to final substitutive tax at a rate of 26.0% in Italy if made to Italian resident beneficial owners that are: (i) private individuals holding Securities not in connection with an entrepreneurial activity (unless they have entrusted the management of their financial assets, including the Securities, to an Italian authorised financial intermediary and have opted for the *Risparmio Gestito* regime ("**Asset Management**" regime) provided for by Article 7 of Legislative Decree No. 461 of November 21, 1997 ("**Decree No. 461**"); (ii) Italian resident non-commercial partnerships; (iii) public and private entities, other than companies, not carrying out commercial activities as their exclusive or principal activity; (iv) entities exempt from corporate income tax.

In case the Securities are held by an individual or by an entity indicated above under (iii), in either case in connection with an entrepreneurial activity, interest and other proceeds relating to the Securities will be subject to the substitutive tax and will be included in the relevant beneficial owner's income tax return. As a consequence, the interest and other proceeds will be subject to the ordinary income tax and the substitutive tax may be recovered as a deduction from the income tax due. The 26.0% substitutive tax will be applied by the Italian resident qualified financial intermediaries as defined by Italian law that will intervene, in any way, in the collection of interest and other proceeds on the Securities or in the transfer of the Securities.

If interest and other proceeds on the Securities are not collected through an Italian resident qualified intermediary as defined by Italian law and as such no substitutive tax is levied, the Italian resident beneficial owners listed above under (i) to (iv) will be required to include interest and other proceeds in their yearly income tax return and subject them to final substitute tax at a rate of 26.0%, unless an option is allowed and made for a different regime.

Italian Resident Security Holders Substitutive Tax Not Applicable

Pursuant to Decree No. 239, as amended and restated, payments of interest and other proceeds in respect of Securities that qualify as 'bonds' to Italian resident beneficial owners will not be subject to the substitutive tax at the rate of 26.0% if made to beneficial owners that are: (i) Italian resident individuals holding Securities not in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Securities, to an Italian authorised financial intermediary and have opted for the *Asset Management* regime; (ii) Italian resident collective investment funds, SICAVs and SICAFs (the "**Italian Resident Undertaking for Collective Investment**") and pension funds referred to in Legislative Decree No. 124 of April 21, 1993; (iii) Italian resident real estate investment funds; (iv) Italian resident corporations or permanent establishments in the Republic of Italy of non-resident corporations to which the Securities are effectively connected; (v) Italian resident partnerships carrying out a commercial activity to which the Securities are effectively connected; or (vi) public and private entities, other than companies, carrying out commercial activities and holding Securities in connection with the same commercial activities.

If the Securities are part of an investment portfolio managed on a discretionary basis by an Italian authorised intermediary and the beneficial owner of the Securities has opted for the *Asset Management* regime, the annual substitute tax at a rate of 26.0% (the "**Asset Management Tax**") applies on the increase in value of the managed assets accrued, even if not realised, at the end of each tax year (such increase includes interest and other proceeds accrued on Securities). The *Asset Management Tax* is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Securities held by Italian resident corporations, commercial partnerships, individual entrepreneurs holding the Securities in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the Securities are effectively connected, are included in the taxable base for the purposes of: (i) corporate income tax (*imposta sul reddito delle società*, "**IRES**") at 27.5%¹¹ or (ii) individual income tax (*imposta sul reddito delle persone fisiche*, "**IRPEF**"), at progressive rates ranging from 23.0% to 43.0%, plus local surcharges, if applicable; under certain circumstances, such interest is included in the taxable basis of the regional tax on productive activities (*imposta regionale sulle attività produttive*, "**IRAP**"), at a general rate of 3.9% (regions may vary the rate up to 0.92%).

Italian Resident Undertaking for Collective Investment are not subject to tax on accrued interest and other proceeds, unless provided by specific provisions of law. In such cases, withholding taxes are applied as final withholding taxes. In particular, pursuant to Article 73, paragraph 5-quinquies, of Decree No. 917, Italian Resident Undertaking for Collective Investment are considered as a taxable person for IRES purposes, though the income realised (with only few exceptions) is exempt from taxation.

Italian resident pension funds are subject to an 20% annual substitutive tax (the "**Pension Fund Tax**") in relation to the increase in value of the managed assets accrued at the end of each tax year.

Any positive difference between the nominal amount of the Securities and their issue price is deemed to be interest for tax purposes. To ensure payment of interest and other proceeds in respect of the Securities without application of the substitutive tax, where allowed, investors indicated here above under (i) to (vi) must be the beneficial owners of payments of interest and other proceeds on the Securities and timely deposit the Securities, together with the coupons relating to such Securities, directly or indirectly, with an Italian authorised financial intermediary as defined by Italian law.

¹¹ According to the provisions set forth by Law No. 208 of December 28, 2015, from tax period starting from 1 January 2017 onward, IRES tax rate will be equal to 24%.

Non-Italian Resident Security Holders

Interest and other proceeds paid on Securities by the non-Italian resident Issuer to a beneficial owner who is not resident in Italy for tax purposes, without a permanent establishment in Italy to which the Securities are effectively connected, should not be subject to any Italian taxation. In any case an Italian resident bank or intermediary, as defined by Italian law, intervenes in the payment of interest and other proceeds on the Securities, to ensure payment of interest and other proceeds without application of Italian taxation a non-Italian resident Security Holder may be required to produce to the Italian bank or other intermediary as defined by Italian law a self-declaration certifying to be the beneficial owner of payments of interest and other proceeds on the Securities and not to be resident in Italy for tax purposes.

Tax treatment of Securities that do not qualify as bonds'

The following applies to Securities containing a derivative agreement (or similar mechanism) in the relevant terms and conditions.

Securities whose proceeds (a) do not qualify as proceeds from bonds (*'obbligazioni'*) or debentures similar to bonds (*'titoli similari alle obbligazioni'*) pursuant to Art. 44 of the *TUIR*, but (b) qualify as *Redditi diversi* (sundry income) pursuant to Article 67 of Decree No. 917 may fall under the joint provisions of Article 67 Decree No. 917 and Article 5 of Decree No. 461, and further amendments thereof, according to which, proceeds and capital gains, arising from both the exercise and the sale for money consideration of the Securities, are subject to the substitutive tax of 26.0%. Charges and capital losses arising from the exercise and the sale of the Securities are deductible in accordance with the modalities indicated below; premiums paid on the Securities contribute to create the income of the financial year in which the Securities are exercised or alienated.

Capital Gains Tax

Any capital gains realised by Security Holders that are (a) Italian resident corporations; (b) Italian resident commercial partnerships; (c) permanent establishments in Italy of foreign corporations to which the Securities are effectively connected; or (d) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of the commercial activity carried out, upon the sale for consideration or redemption of the Securities will be treated for the purpose of IRES and of IRPEF as part of the taxable business income of Security Holders (and, in certain cases, depending on the status of the Security Holders, may also be included in the taxable basis of IRAP), and it will, therefore, be subject to tax in Italy according to the relevant tax provisions.

Italian Resident Security Holders

Pursuant to Decree No. 461, any capital gains realised by Italian resident individuals holding Securities not in connection with entrepreneurial activity and certain other persons¹² upon the sale for consideration or redemption of the Securities would be subject to a "substitutive tax" at the current rate of 26.0%. Under the tax declaration regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in entrepreneurial activity, the "substitutive tax" on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss. These individuals must report overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax declaration to be filed with the Italian tax authorities for such year and pay the "substitutive tax" on such gains together with any balance on income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

¹² Such as Italian resident non-commercial partnerships; public and private entities, other than companies, not carrying out commercial activities as their exclusive or principal activity.

As an alternative to the tax declaration regime, Italian resident individual Security Holders not in connection with entrepreneurial activity may elect to pay the "substitutive tax" separately on capital gains realised on each sale or redemption of the Securities (the *Risparmio Amministrato* regime or "**Managed Portfolio**" regime). Such separate taxation of capital gains is allowed subject to: (i) the Securities being deposited with Italian banks, *società di intermediazione mobiliare* (SIM) or certain authorised financial intermediaries; and (ii) an express election for the Managed Portfolio regime being made promptly in writing by the relevant Security Holder. The financial intermediary, on the basis of the information provided by the taxpayer, accounts for the "substitutive tax" in respect of capital gains realised on each sale or redemption of Securities (as well as in respect of capital gains realised at the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Security Holder. Under the Managed Portfolio regime, where a sale or redemption of Securities results in capital loss, such loss may be deducted from capital gains subsequently realised in the same tax year or in the following tax years up to the fourth year.

Any capital gains realised by Italian resident individuals holding Securities not in connection with entrepreneurial activity who have elected for the Asset Management regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to the substitutive tax at the current rate of 26.0% to be applied on behalf of the taxpayer by the managing authorised financial intermediary.

Any capital gains realised by Security Holders who are Italian Resident Undertakings for Collective Investments are not subject to tax. Any capital gains realised by Security Holders who are Italian resident pension funds will be included in the computation of the taxable basis of Pension Fund Tax.

Non-Italian Resident Security Holders

The 26.0% final "substitutive tax" may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of Securities by non-Italian resident persons or entities without a permanent establishment in Italy to which the Securities are effectively connected, if the Securities are held in Italy. However, even if the Securities are held in Italy and regardless of the provisions set forth by any applicable double taxation treaty, pursuant to Article 23 of Decree No. 917, any capital gains realised, by non-Italian residents without a permanent establishment in Italy to which the Securities are effectively connected, through the sale for consideration or redemption of Securities are exempt from taxation in Italy to the extent that the Securities are listed on a regulated market in Italy or abroad¹³ and in certain cases subject to filing of required documentation. In case the Securities are not listed on a regulated market in Italy or abroad (1) as to capital gains realised by non-Italian resident of the Securities with no permanent establishment in Italy to which the Securities are effectively connected are exempt from the substitutive tax in Italy on any capital gains realised upon sale for consideration or redemption of the Securities if (a) they are beneficial owners resident, for tax purposes, in a country which recognizes the Italian tax authorities' right to an adequate exchange of information, the so called "white list" or (b) non-Italian foreign institutional investors established in a "white list" country. (2) In any event, non-Italian resident persons or entities without a permanent establishment in Italy to which the Securities are effectively connected that may qualify for applicability of benefit from a double taxation treaty with Italy, providing that capital gains realised upon the sale or redemption of the Securities are to be taxed only in the country of tax residence of the recipient, will not be subject to the "substitutive tax" in Italy on any capital gains realised upon sale for consideration or redemption of Securities.

¹³ Financial markets of OECD countries compliant with relevant regulatory provisions adopted by the competent authorities of the country of establishment.

Atypical securities

According to the provisions of the Conditions of the Securities, it is possible that Securities may be qualified as 'atypical' securities pursuant to Article 5 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Securities may be subject to an Italian withholding tax, levied at the rate of 26.0%.

The withholding tax is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and Gift Taxes

The transfer by inheritance or gift of the Securities is subject to the inheritance and gift tax at the following rates: (i) 4% if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer to each beneficiary is subject to taxation on the value (if any) exceeding Euro 1,000,000; (ii) 6% if the transfer is made to brothers and sisters; in this case, the transfer to each beneficiary is subject to taxation on the value (if any) exceeding Euro 100,000; (iii) 6% if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree; and (iv) 8% in all other cases. If the transfer is made in favour of persons with severe disabilities, taxation will apply only on the value (if any) of the transaction exceeding Euro 1,500,000.

Tax Monitoring Obligations

Italian resident individuals, partnerships (other than *società in nome collettivo*, *società in accomandita semplice* or similar partnerships) not carrying out commercial activities, not commercial trusts, professional associations and public and private entities, other than companies, not carrying out commercial activities will be required to report in their yearly income tax return ("UNICO" tax form, RW section), for tax monitoring purposes, the amount of Securities (and of other investments held abroad and foreign financial assets generating foreign source income taxable in Italy) directly or indirectly held (*i.e.* when the above-mentioned subjects qualify as the beneficial owner of the Securities) over each tax year. This also is the case if at the end of the tax year the Securities (or other investments held abroad and foreign financial assets generating foreign source income taxable in Italy) are no longer held by the above-mentioned subjects. The above subjects will however not be required to comply with the above reporting requirements in respect of Securities deposited for management or administration with qualified Italian financial intermediaries as defined by Italian law and in respect of contracts entered into through the intervention of financial intermediaries, upon condition that the items of income derived from the Securities are collected through the intervention of and subject to withholding tax or substitute tax levied by the same financial intermediaries.

Stamp duty and Tax on financial activities held abroad

The extended stamp duty on all kind of financial activities ("**Stamp Duty**") is applicable on all kind of financial assets, including the Securities held with the intervention of Italian financial intermediaries. The tax is levied at 0.2% rate (with a limit up to Euro 14,000 for holders different from individual) on the fair market value or, if failing, on the book or redemption value as at 31 December of each year. Stamp Duty is generally applied by the Italian financial intermediary, if such entity intervene in the administration/management of the Securities. The tax on financial activities held abroad (so called "**IVAFE**") is applicable on the value of financial assets held abroad Italy by Italian tax resident individuals without the intervention of Italian financial intermediaries. The tax is applied at a rate equal to 0.2%, on the fair market value as at 31 December of each year. IVAFE should be applicable in case the financial activities do not fall within the Stamp Duty scope. The tax is calculated, disclosed in the yearly tax return and paid by the individual directly.

Transfer tax

The Law no. 228 as of December 24, 2012 introduced a stamp duty on certain financial transactions (the "**Tobin Tax**"). In general terms the Tobin Tax applies to transactions, even if executed abroad, involving shares, bonds converted in shares and equity financial instruments issued by both listed and non-listed companies resident in Italy and derivatives substantially underlying such securities. Tobin Tax is applied at a rate of 0.2% on transaction regarding shares and other participating instruments issued by Italian resident companies. The tax rate is reduced down to 0.1% if the transfer is executed on regulated financial markets or through multilateral negotiation systems. Tobin Tax on transactions in derivative financial instruments shall be due in a fixed amount (ranging from Euro 0.01875 to Euro 200 depending on both the typology and the notional value of the instrument) and is payable by both the counterparties to the transaction, regardless of their place of residence and the place where the transactions have been executed.

France

The following is a general description of certain French withholding tax consequences relating to the Securities. It does not purport to be a description of general French tax considerations relating to the Securities. Prospective investors are advised to consult their own professional advisors to obtain information about the tax consequences of the acquisition, ownership, disposition or redemption of the Securities. Only personal advisors are in a position to adequately take into account special tax aspects of the particular Securities in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor. This summary is based on French law as in force as of the date of this Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may have retroactive effect.

Withholding tax

Income paid or accrued on the Securities, to the extent such Securities are not issued by an Issuer incorporated in France or otherwise acting through a French permanent establishment, is not, in principle, mandatorily subject to withholding tax in France.

However, according to articles 125 A and 125 D of the French Tax Code ("**FTC**"), French resident individual taxpayers receiving interest on debt instruments from France or from abroad, such as the Securities, are subject to a non-definitive withholding tax ("prélèvement à la source obligatoire non libératoire de l'impôt sur le revenu") at the rate of 24% (plus social contributions at the aggregate rate of 15.5%). The 24% levy is a prepayment of income tax; it is credited against the individual income tax due and is reimbursed if it exceeds the individual income tax due. If the paying agent of the interest is located in France, such paying agent must file the related tax return and perform the payment of the levy (article 125 A, I of the FTC). If the paying agent is not located in France, the filing and the payment of the levy is to be made by the beneficial owner of the interest. In the case the paying agent is located in a European Union Member State, Iceland, Norway or Liechtenstein, the filing and the payment of the levy may be performed by the paying agent located in such State upon request of the beneficial owner (article 125 D, IV of the FTC).

Other tax considerations

Concerning prospective purchasers of Securities who are French resident for tax purposes or who would hold Securities through a permanent establishment or a fixed base in France, please note that transactions involving the Securities, including any purchase or disposal of, or other dealings in the Securities and any transaction involved in the exercise and settlement of the Securities, may have French tax consequences.

The tax consequences regarding notably interest, premium on redemption, any other proceeds from the Securities and capital gains, as the case may be, may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals) and on the specific terms and conditions of the relevant Securities.

EU Savings Directive and tax information exchange

The EU Savings Directive has been implemented into French law under article 242 ter of the FTC and articles 49 I ter to 49 I sexies of Annex III to the FTC, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner. Similar obligations may apply as a result of the implementation of other tax information exchange mechanisms such as FATCA or the OECD standard of interstate exchange of information ("CRS") or the European automatic exchange of information ("DAC 2")¹⁴.

Czech Republic

The information set out below is of a general nature and relates only to certain principal Czech withholding tax considerations. Accordingly, it does not deal with any other Czech tax consequences of acquiring, holding or disposing of Securities, which may be relevant to a decision to purchase Securities, and is not intended to be, nor should it be regarded as, legal or tax advice. Prospective holders of Securities should seek, in the light of their individual situation, their own professional advice as to the consequences of acquiring, holding or disposing of Securities in all relevant jurisdictions. The information is based on the tax laws of the Czech Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary.

For the purposes of this information, it has been assumed that neither any of the Issuers nor the Guarantor is either resident for tax purposes or has a permanent establishment in the Czech Republic.

Withholding tax

All interest and other payments to be made by an Issuer under the Securities may be made free of withholding on account of any taxes imposed by the Czech Republic.

Securing tax

In general, Czech tax residents (or Czech permanent establishments of Czech tax non-residents) acquiring the Securities are required, under their own responsibility, to withhold and to remit to Czech tax authorities a 1 % securing tax from the purchase price when purchasing investment instruments, such as the Securities, from a seller who is resident for tax purposes outside the European Union or the European Economic Area. Such obligation can be eliminated under a tax treaty concluded between the Czech Republic and the country in which the seller is a tax resident. Furthermore, it can be waived in advance based on a decision of Czech tax authorities.

Poland

General Information

The following is a discussion of certain Polish tax considerations relevant to an investor residing in Poland or which is otherwise subject to Polish taxation. This statement should not be considered tax advice. It is based on Polish tax laws and, as its interpretation refers to the position as at the date of this Base Prospectus, it may thus be subject to change, including a change with retroactive effect. Any change may negatively affect the tax treatment described below. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their individual circumstances. Prospective purchasers of Securities are advised to

¹⁴ European Directives 2011/16/EU dated 9 December 2011 and 2014/107/EU dated 9 December 2014.

consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of Securities.

The reference to "interest", as well as to any other terms in the paragraphs below, means "interest" or any other term, respectively, as understood in Polish tax law.

Taxation of a Polish tax resident individual

Withholding Tax on Interest Income

According to Art. 30a of the Personal Income Tax Act dated 26 July 1991, as amended (the "**PIT Act**"), interest income, including discounts, derived by a Polish tax resident individual (a person who has his/her centre of personal or business interests located in Poland or who stays in Poland for longer than 183 days in a year, unless otherwise resulting from the respective tax treaty) does not cumulate with general income subject to the progressive tax rate but is subject to a 19% flat rate tax.

Withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland but excluding tax havens¹⁵), up to an amount equal to the tax paid abroad, but not greater than 19% tax on the interest amount, could be deducted from the Polish tax liability. Particular double tax treaties can provide other methods of withholding tax settlement.

Under Art. 41.4 of the PIT Act, the interest payer, other than an individual not acting within the scope of his/her business activity, should withhold the 19% Polish tax on any interest payment. In practice, the obligation to withhold tax applies only to Polish interest payers and not to foreign payers (this should be however subject to separate individual analysis as there are particular cases when such foreign payer would be obliged to act as a tax remitter). Under Art. 41.4d of the PIT Act, tax on interest or a discount on securities is withheld by entities keeping securities accounts for taxpayers, in their capacity as tax remitters, if the income (revenue) is earned in the territory of Poland and is associated with the securities registered in these accounts, and, furthermore, if relevant payments are made to the taxpayers through those entities. However, given that the interest on Securities may be classified as not earned in Poland and the term "person making the interest payment" is not precisely defined in the law, under some interpretations issued by the Polish tax authorities, in certain cases Polish banks or Polish brokerage houses maintaining securities accounts may refuse to withhold the tax based on the fact that they are acting only as an intermediary and therefore should not be obliged under Polish law to remit due tax. According to Art. 45.3b of the PIT Act, if the tax is not withheld, the individual is obliged to settle the tax himself/herself by 30 April of the following year.

If an individual holds the Securities as a business asset, in principle, interest should not be subject to withholding tax but taxed in the same way as other business income. The tax, at the 19% flat rate, or the 18% to 32% progressive tax rate, depending on the choice and the meeting of certain conditions by the individual, should be settled by the individual himself/herself.

Income from Capital Investments

Income other than interest derived by a Polish tax resident individual from financial instruments, such as the Securities, which are held as non-business assets, qualify as capital income according to Art. 17 of the PIT Act. Such income does not cumulate with the general income subject to the progressive tax scale but is subject to a 19% flat rate tax. The costs of acquiring the financial instruments are recognised at the time the revenue from their disposal is achieved. Additionally, no tax is withheld by a tax remitter, but the tax should be settled by the taxpayer by 30 April of the following year.

¹⁵ The exhaustive list of jurisdictions considered as tax havens by the Government of Poland is Published in the Regulation of Ministry of Finance dated 19th May 2015 on Determination of the countries and territories applying harmful tax competition in the area of income tax from individuals (J.L. 2015.599).

If an individual holds the Securities as a business asset, in principle, the income should be taxed in the same way as other business income. The tax, at the 19% flat rate, or the 18% to 32% progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

Due to the amendment of PIT provisions¹⁶, starting from 1st January 2016, taxable income on sale of Securities arises at the moment when the ownership of the Securities is transferred to the purchaser. The payment receipt date has no influence on the tax point.

A sale of shares/securities is – as a rule - subject to a 1% tax on civil law transactions on the market value of the instruments sold, unless it is conducted through a brokerage house. The transaction is taxable in the hands of the purchaser.

Taxation of a Polish tax resident corporate income taxpayer

A Polish tax resident corporate income taxpayer, i.e. a corporate income taxpayer having its registered office or place of management in Poland, will be subject to 19% income tax in respect of the Securities (both on any capital gain and on interest/discount) following the same principles as those which apply to any other income received from business activity. As a rule, for Polish income tax purposes, interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued. In respect of capital gains, the cost of acquiring the Securities will be recognised at the time the revenue is achieved. A tax loss in this respect is accounted for in accordance with general principles and may be used to reduce other earnings subject to CIT.

A sale of shares/securities is – as a rule - subject to a 1% tax on civil law transactions on the market value of the instruments sold, unless it is conducted through a brokerage house. The transaction is taxable in the hands of the purchaser.

Securities held by a non-Polish tax resident (natural person or corporation)

Non-Polish tax residents are:

- natural persons if they do not have their place of residence in the territory of the Republic of Poland (Art. 3.2a of the PIT Act);
- corporate income taxpayers if they do not have their registered office or place of management in Poland (Art. 3.2 of the Polish Corporate Income Tax Act dated 15 February 1992, as amended - the CIT Act).

Non-Polish residents are subject to Polish income tax only regarding their income earned in Poland. If the Securities are issued by a foreign entity, in principle, the interest should not be considered as having been earned in Poland (the possibility of attributing interest to the permanent establishment of foreign entity should be subject to detailed analysis). Capital gains should also not be considered as arising in Poland unless the Securities are sold at a stock exchange in Poland (the Warsaw Stock Exchange). If the latter is the case, however, most tax treaties concluded by Poland provide a Polish tax exemption with respect to capital gains derived from Poland by a foreign tax resident. To benefit from a tax treaty, a foreign investor should present the relevant certificate of its tax residency¹⁷.

If a foreign recipient of income acts through a permanent establishment in Poland, as a matter of principle it should be treated in the same manner as a Polish tax resident.

¹⁶ Art. 17 point 1a letter 1 of the PIT Act.

¹⁷ Exceptions may apply if the sale is made by resident of a country, with which Poland has signed double tax treaty including the so-called real estate clause (e.g. Austria, Denmark, Germany, Sweden, Luxembourg) and the sale concerns shares in a company whose assets comprise mainly properties located in Poland. Should this be the case, the profit on sale of shares may be taxable in Poland.

Remitter's liability

Under Art. 30.1 of the Tax Ordinance dated 29 August 1997, as amended, a remitter which has not carried out its obligation to calculate and withhold due tax from a taxpayer, and to transfer the appropriate amount of tax to a relevant tax office, is liable for tax not withheld or tax withheld but not transferred to a relevant tax office. The remitter is liable for those obligations with all of its assets. The provisions concerning the remitter's liability do not apply only if separate provisions provide otherwise or if the tax has not been withheld due to the taxpayer's fault.

U.S. Withholding Tax

Payments under index-linked Securities and equity-linked Securities may be subject to U.S. withholding tax

Under Section 871(m) of the United States Internal Revenue Code of 1986, as amended, (the "IRC") a "dividend equivalent" payment is treated as a dividend from sources within the United States and is subject to withholding at the rate of 30% unless reduced by an applicable tax treaty with the United States (withholding tax on "dividend equivalent" payments). A "dividend equivalent" payment includes (i) any substitute dividend made pursuant to a securities lending or sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" ("**Specified NPC**") that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the U.S. Internal Revenue Service ("**IRS**") to be substantially similar to a payment described in clause (i) or (ii). For these purposes, Section 871(m) specifies four types of notional principal contracts that are considered Specified NPCs.

The Final Regulations published in September 2015 expand the withholding taxation according to Section 871 m. These new provisions are applicable for agreements entered into on or after January 1st, 2017, relative to payments made on or after January 1st, 2017. The IRS decision also includes so-called temporary and proposed regulations, with newly govern the integration of complex derivatives into the application of Section 871 m and payments of certain traders.

The Final Regulations expand Section 871(m) to apply to payments made pursuant to a specified equity-linked instrument ("**Specified ELI**"), which generally will include any financial instruments (such as futures, forward contracts, and options), other than a securities lending or sale-repurchase transaction or a Specified NPC, that references the value of one or more underlying securities. In addition, under the new provisions, an equity-linked instrument or notional principal contract generally will be a Specified ELI or Specified NPC, if at the time it is entered into, it has a "delta" of 0.80 or greater with respect to the underlying stock. Moreover, payments based on amounts that reference actual or estimated dividend payments, whether the reference is explicit or implicit, would be subject to withholding, even if an estimated payment is not adjusted based on the actual dividend payment, as well as complex derivatives, issued in 2017 and later, which include dividend equivalent payments paid to Non-US-recipients. For certain "qualified indices" an exception from treatment as an underlying security is provided thus exempting a Specified ELI or Specified NPC that references a qualified index from the application of Section 871(m). To constitute a "qualified index", an index must meet seven cumulative requirements, including requirements that it references 25 or more component underlying (also foreign) securities, contains no component underlying security representing more than 15 percent of the index's weighting, and does not provide a dividend yield greater than 1.5 times the yield of the Standard&Poors 500 index for the month preceding the date the long party acquires the potential Section 871(m) transaction.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from payments on index-linked Securities or equity-linked Securities, none of the Issuer, any paying agent or any other person would pursuant to the conditions of the Securities be required to pay additional amounts as result of the deduction or withholding of such tax.

The rules relating to the treatment of dividends, interest and other fixed or determinable income as income from sources within the United States are complex, and no assurance can be given that income on securities will not be treated as U.S. source income subject to U.S. withholding tax under other rules. In addition, changes in applicable U.S. federal, state and local tax laws and interpretations thereof may result in the application of U.S. withholding and other taxes with respect to the Securities. You should consult with your US tax advisor for further information.

Payments under the Securities may be subject to withholding tax pursuant to the Foreign Account Tax Compliance Act (FATCA)

Under Sections 1471-1474 of the United States Internal Revenue Code (commonly referred to as "FATCA"), dividend equivalent payments on, and payments of gross proceeds from the disposition of Securities made to Issuers and financial institutions serving as intermediaries for such U.S.-related payments may be subject to a 30% withholding tax imposed on "withholdable payments", as far as the applicable Issuer or financial institution does not comply with certain certification preconditions, information reporting (reporting obligation with regard to U.S.-related investors) and other specified requirements.

Payments made on certain grandfathered obligations ("**Grandfathered Obligations**") are not subject to FATCA withholding, however. A Grandfathered Obligation includes any obligation outstanding on 1 July 2014, and any obligation that gives rise to a withholdable payment solely because the obligation is treated as giving rise to a "dividend equivalent" payment under Section 871(m) of the United States Internal Revenue Code and the U.S. Treasury Regulations thereunder executed on or before the date that is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalent payments. Any material modification of such an obligation after such dates will result in it being treated as newly issued or executed, and the loss of its status as a Grandfathered Obligation.

The Issuer and financial institutions through which payments on the Securities are made also may be required to withhold at a rate of up to 30% on all, or a portion of, payments made after 31 December 2016 in respect of the Securities if the Securities are significantly modified after the date (the "**Grandfathering Date**") that is six months after the date on which final U.S. Treasury regulations that define the term "foreign passthrough payment" are published in the U.S. Federal Register, or if additional Securities are sold after the Grandfathering Date that are not issued pursuant to a "qualified reopening" for U.S. federal income tax purposes. The application of FATCA in relation to payments under the Securities may be influenced by an intergovernmental agreement ("**IGA**") entered into between the United States and the jurisdiction of the Issuer or other financial institution involved in the payments under the Securities.

Meanwhile the application of FATCA, introduced as of July 1st, 2014, is also with respect to payments on securities governed by the intergovernmental agreements (IGA) in more than 100 countries, which are closed between the US and a country, where the Issuer or another financial institution, involved in payments on securities, is resident.

On 31 May 2013, the Federal Republic of Germany entered into such IGA with the United States. The German FATCA implementation law and a further ordinance as well as an additional guidance on behalf German Federal Ministry of Finance have meanwhile been published. The FATCA reporting, produced by German financial institutions, is addressed to the Federal Central Tax Office (*Bundeszentralamt für Steuern*) to be forwarded to the US fiscal authorities.

The Luxembourg and US governments have signed an Intergovernmental Agreement ("**IGA**") on 28 March 2014, which purports to implement the provisions of FATCA in Luxembourg. This IGA is made on the Model I Reciprocal Agreement, thus the reporting shall be done to the Luxembourg tax authorities, which will then report to the U.S. Internal Revenue Service.

You should consult with your US tax advisor for further information.

GENERAL INFORMATION

Selling Restrictions

General

No action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Securities, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required other than the approval of the Base Prospectus by the BaFin and a notification to the countries set forth in the Final Terms under "Terms and conditions of the offer". No offers, sales or deliveries of any Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligation on the Issuer other than the approval and notification(s) mentioned above.

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area, which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Securities may, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), not be offered to the public in that Relevant Member State except that, with effect from and including the Relevant Implementation Date, an offer of Securities to the public may be made in that Relevant Member State:

- (a) if the Final Terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that relevant Member State (a "**Non-Exempt Offer**"), following the date of publication of a base prospectus in relation to such Securities, which has been approved by the competent authority in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such base prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such base prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of the Non-Exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant person or entity placing or offering the Securities nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer to publish a base prospectus pursuant to Article 3 of the Prospectus Directive or supplement a base prospectus pursuant to Article 16 of the Prospectus Directive at least on banking day prior to the respective offer.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member

State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Selling Restrictions addressing additional Italian Securities Laws

Unless it is specified within the relevant Final Terms that a Non-Exempt Offer may be made in Italy, the offering of the Securities has not been registered pursuant to Italian securities legislation. Accordingly, the Securities may not be offered, sold or delivered, nor may copies of this Base Prospectus and any other documents relating to the Securities may be distributed in the Republic of Italy except:

- (1) to qualified investors (*investitori qualificati*), as defined by the joint provision of Article 34-ter, paragraph 1, letter (b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended ("**CONSOB Regulation No. 11971**") and Article 26, paragraph 1 (d) of Consob Regulation No. 16190 of October 29, 2007, as amended ("**CONSOB Intermediaries Regulation**"), implementing Article 100, paragraph 1, letter (a) of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Financial Services Act**"); or
- (2) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of CONSOB Regulation No. 11971.

Any such offer, sale or delivery of the Securities or distribution of any other document relating to the Securities in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, the Legislative Decree No. 385 of September 1, 1993 as amended (the "**Banking Act**"), the CONSOB Intermediaries Regulation and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy (*e.g.*, Article 129 of the Banking Act, and relevant implementation guidelines, pursuant to which the Bank of Italy may request periodic information on the Securities offered in the Republic of Italy).

Provisions relating to the secondary market in the Republic of Italy

Investors should also note that pursuant to Article 100-bis of the Financial Services Act:

- (A) any subsequent distribution of the Securities in the Republic of Italy further to an offer or distribution made under the exemptions indicated in points (1) and (2) above, will be considered a different and autonomous public offering subject to public offer and prospectus requirements, unless such subsequent distribution does not fall, again, under one of the exemptions indicated in points (1) and (2) above; and
- (B) in particular, where the Securities are placed solely with qualified investors (as defined above) but are then systematically resold on the secondary market at any time in the twelve months following such placing to individual persons or entities which do not fall under the definition of qualified investors or in cases where none of the exemptions indicated in points (1) and (2) above applies, such resale will be considered a public offering and subject to public offer and prospectus requirements. If no exemptions apply and a prospectus is not published, purchasers of Securities who are acting outside the course of their business or profession may in certain circumstances be entitled to declare such purchase null and void and, in addition, to claim damages from any authorised intermediary at which the Securities were purchased; in addition, certain administrative fines may apply.

Selling Restrictions addressing additional French Securities Laws

Offer to the public in France

An offer of Securities to the public in France shall only be made in the period beginning: (a) when a prospectus in relation to those Securities has been approved by the Autorité des marchés financiers ("**AMF**"), on the date of publication of the AMF's approval; or (b) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF; and ending in each case at the latest on the date which is 12 months after the date of approval of such prospectus, all in accordance with articles L. 412-1 and L. 621-8 seq. of the French *Code monétaire et financier*, with the French *Code de commerce* and with the *Règlement général* of the AMF.

Private placement in France

This Base Prospectus, the Final Terms and/or any other offering material relating to the Securities have not been prepared and are not being distributed in the context of a public offering of financial securities in France within the meaning of Article L. 411-1 of the French *Code Monétaire et Financier* and Title I of Book II of the *Règlement General* of the AMF and, therefore, the Base Prospectus, the Final Terms and/or any other offering material relating to the Securities and any other offering material relating to the Securities have not been and will not be filed with the AMF for prior approval or submitted for clearance to the AMF.

Consequently, the Securities may not be, directly or indirectly, offered or sold to the public in France and offers and sales, directly or indirectly, of the Securities shall only be made in France, if any, to (i) providers of the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), and/or to (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in and in accordance with Articles L. 411-2 and D. 411-1, D. 411-2, D. 744-1, D. 754-1 and D. 764-1 of the French *Code Monétaire et Financier*.

Neither this Base Prospectus, the Final Terms nor any information contained therein or any other offering material may be, or caused to be, released, issued or distributed to the public in France or used in connection with any offer for subscription or sale of the Securities to the public in France. The subsequent direct or indirect retransfer of the Securities to the public in France may only be made in compliance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 through L. 621-8-3 of the French *Code Monétaire et Financier*.

In addition, the Securities, the Base Prospectus, the Final Terms and any other offering material relating to the Securities, have not been and will not be distributed or caused to be distributed in France, other than to investors to whom offers and sales of Securities in France may be made as described above.

Representations and warranties from the Distributors and the Issuer

In relation to any Securities, each of the Distributors and the Issuer has represented and agreed that, and each further Distributor appointed under the Programme will be required to represent and agree that it will comply with the French Selling Restrictions stated above regarding (i) any offer to the public in France or (ii) any private placement in France.

Selling Restrictions addressing additional Czech Securities Laws

No issue, offer, sale or delivery of any Securities has been made and may be made in the Czech Republic through a public offering, being subject to several exemptions set out in the Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the "**Capital Market Act**"), which under the Capital Market Act comprises any communication to a broader circle of persons containing information on the Securities being offered and the terms under which such persons may acquire the Securities and which are sufficient for the investor to make a decision to subscribe for, or purchase, such Securities.

No action has been taken or will be taken which may lead to or result in (i) the Securities being deemed to have been issued under Czech law within the meaning of the Act of the Czech Republic No. 190/2004 Coll., on Bonds, as amended (the "**Bonds Act**"), (ii) the issue of the Securities being qualified as "accepting of deposits from the public" by the Issuer in the Czech Republic within the meaning of the Act of the Czech Republic No. 21/1992 Coll., on Banks, as amended (the "**Banks Act**"), (iii) the Issuer being considered to be supporting, publicizing or making otherwise available activities prohibited by the Act of the Czech Republic No. 240/2013 Coll., on Management Companies and Investment Funds, as amended (the "**MCIFA**"), (iv) the Issuer being considered as carrying out business in the Czech Republic within the meaning of Section 5 of the Act of the Czech Republic No. 219/1995 Coll., on Foreign Exchange, as amended (the "**FX Act**"), or (v) requiring a permit, registration, filing or notification to the Czech National Bank or other authorities in the Czech Republic in respect of the Securities in accordance with the Capital Market Act, the Banks Act, the MCIFA, the FX Act or practice of the Czech National Bank or other competent authority.

All of the laws of the Czech Republic applicable to the conduct of business in the Czech Republic, including the laws applicable to the provision of investment services (within the meaning of the Capital Market Act) in the Czech Republic, in respect of the Securities have been complied with.

No action has been taken or will be taken which would result in the issue of the Securities being considered an intention to manage assets by acquiring funds from the public in the Czech Republic for the purposes of collective investment pursuant to defined investment policy in favour of the investors under the MCIFA, which implements the Directive 2011/61/EU. Any issue, offer, sale or delivery of the Securities has been or will be carried out in strict compliance with the MCIFA.

Selling Restrictions addressing additional Poland Laws

Pursuant to Article 7 of the Act on Public Offerings, the Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated 29 July 2005, as amended (consolidated text: Journal of Laws of 2013, item 1382, as amended) (the "**Act on Public Offerings**"), a public offering or admission of securities to trading on a regulated market requires an issue prospectus to be made available to the public. Pursuant to Article 37 of the Act of Public Offerings, securities of an issuer with its registered office in a Member State for which Poland is a host state may be offered in a public offering or admitted to trading on a regulated market in Poland on completing the passporting procedure described in that act.

Pursuant to Article 3 of the Act of Public Offerings, a "**Public Offering**" ("*oferta publiczna*") consists of making information available to at least 150 persons or to an unspecified addressee, in any form and manner, about securities and the conditions for the acquisition of them, provided that this information constitutes satisfactory grounds for making a decision on whether to acquire the securities for consideration.

United States of America

- (a) The Securities have not been and will not be registered under the Securities Act of 1933, as amended ("**Securities Act**"), and, except as provided in the applicable Final Terms with respect to Securities with a maturity on the issue date of one year or less, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to another exemption from, or in a transaction otherwise not subject to, the registration requirements of the Securities Act.
- (b) Any person when purchasing the Securities agrees with the Issuer and, if different, the seller of such Securities that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, any Securities so purchased in the United States or to, or for the account or benefit of, any U.S. person, (ii) it is not purchasing any Securities for the account or benefit of any U.S. person and (iii) it will not make offers, sales, re-sales or deliveries of any

Securities (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person.

Terms used above have the meanings given to them by *Regulation S*.

- (c) Securities, other than (i) Securities with a maturity of one year or less (including unilateral rollovers or extensions) and (ii) Securities that are issued in registered form in accordance with the provisions of U.S. Treasury Regulation Section 5f.103-1 and the U.S. Internal Revenue Service ("**IRS**") Notice 2012-20, will be issued in accordance with the so-called "excise tax exemption" pursuant to the provisions of U.S. Internal Revenue Code of 1986, as amended, (the "**Code**") Section 4701(b)(1)(B) and U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D) ("**TEFRA D Rules**") or U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(C) ("**TEFRA C Rules**"), as specified in the applicable Final Terms.

Excise Tax

Code Section 4701 imposes an excise tax on an issuer who issues "registration-required obligations" which are not in registered form. The excise tax is equal to 1% of the principal amount of the obligation multiplied by the number of calendar years until the obligation reaches maturity. In accordance with IRS Notice 2012-20, certain securities are deemed to be in registered form (as discussed in more detail below). Furthermore, the IRS announced in Notice 2012-20 that it intends to provide guidance, which the IRS stated will be "identical" to the TEFRA C and TEFRA D rules, to clarify how certain securities that are not in registered form can qualify for the excise tax exemption.

Notice 2012-20 Requirements

In Notice 2012-20, the IRS stated that it intends to issue future guidance providing that an obligation that is nominally issued in "bearer" form will be considered to be in registered form for U.S. federal income tax purposes if it is issued through a "dematerialized" book entry system or a clearing system in which the obligation is "effectively immobilized". An obligation is effectively immobilized if the only holder of physical global form (i.e., bearer) certificates is a clearing organisation, the physical certificates can only be transferred to a successor clearing organisation subject to the same terms, and the beneficial interests in the underlying obligation are only transferrable on a book entry system maintained by the clearing organisation. The obligation may be considered to be in registered form even if a physical certificate is available in bearer form in certain circumstances. Those circumstances are limited to termination of the clearing organisation's business, default by the issuer, or issuance of definitive securities at the issuer's request upon a change in tax law that would be adverse to the issuer unless securities are issued in physical bearer form.

In connection with Securities issued in accordance with the requirements of Notice 2012-20, the Issuer represents and agrees that it will comply with the requirements of Notice 2012-20, and it will require all those persons participating in the distribution of the Securities to represent and agree to comply with such requirements.

TEFRA D Rules

In addition, in respect of Securities issued in accordance with the TEFRA D Rules, the Issuer represents and agrees that it will require all those persons participating in the distribution of the Securities to represent and agree that:

- (i) except to the extent permitted under the TEFRA D Rules, (x) it has not offered or sold, and during the restricted period will not offer or sell, Securities in bearer form to a person who is within the United States or its possessions or to a United

States person, and (y) it has not delivered and will not deliver within the United States or its possessions definitive Securities that are sold during the restricted period;

- (ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Securities in bearer form are aware that such Securities may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (iii) if such person is a United States person, it has represented that it is acquiring the Securities for purposes of resale in connection with their original issuance and if such Distributor retains Securities in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6);
- (iv) with respect to each affiliate that acquires from such person Securities in bearer form for the purposes of offering or selling such Securities during the restricted period, such person either (x) repeats and confirms the representations and agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii) and (iii); and
- (v) such person will obtain for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii), (iii), and (iv) from any person other than its affiliate with whom it enters into a written contract, as defined in U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(4), for the offer and sale of Securities during the restricted period.

Terms used in the above paragraph have the meanings given to them by the Code, U.S. treasury regulations promulgated thereunder and IRS *Notice 2012-20*.

TEFRA C Rules

In addition, in respect of Securities issued in accordance with the TEFRA C Rules, Securities must be issued and delivered outside the United States and its possessions in connection with their original issuance. The Issuer will not, and it will require all those persons participating in the distribution of the Securities to not, offer, sell or deliver, directly or indirectly, Securities in bearer form within the United States or its possessions in connection with their original issuance. Further, the Issuer will not, and it will require all those persons participating in the distribution of the Securities to not, communicate, directly or indirectly, with a prospective purchaser if, such person or purchaser is within the United States or its possessions and will not otherwise involve its United States office in the offer or sale of Securities. Terms used in this paragraph have the meanings given to them by the Code and U.S. treasury regulations promulgated thereunder.

Securities which are not issued in registered form (e.g., bearer securities) pursuant to the TEFRA D Rules (other than temporary global securities and securities with a maturity, taking into account any unilateral rights to roll over or extend, of one year or less) and any receipts or coupons appertaining thereto will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

Authorisation

The establishment of the Programme and the issue of Securities under the Programme were duly authorised by the Group Asset/Liability Committee (ALCO), a subcommittee of the Management Board of HVB, on 17 April 2001. The full EUR 50,000,000,000 authorisation amount of this Programme may also be applied by other base prospectuses of HVB, however, the aggregate utilised amount of this Programme together with any other base prospectuses of HVB under this Programme will not exceed EUR 50,000,000,000.

Availability of Documents

Copies of the articles of association of the Issuer, the consolidated annual reports in respect of the fiscal years ended 31 December 2014 and 2015 of the Issuer, the unconsolidated annual financial statements of the Issuer in respect of the fiscal year ended 31 December 2015 prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*), the unaudited Consolidated Results of HVB Group as of 31 March 2016, the forms of the Global Notes, the Final Terms and the Agency Agreement, as amended and restated, will be available during usual business hours on any weekday (except Saturdays and public holidays) at the offices of the Issuer and of BNP Paribas Securities Services, Luxembourg Branch in its capacity as listing agent for the Securities. For the validity of this Base Prospectus, all documents whose information has been incorporated by reference in this Base Prospectus will be available for collection in the English language, free of charge, at the offices of UniCredit Bank AG (Arabellastraße 12, 81925 Munich).

Clearing System

Securities may be cleared, separately or jointly, through Euroclear Bank SA/NV as operator of the Euroclear system (1 Boulevard du Roi Albert IIB, 1210 Brussels, Belgium) ("**Euroclear Bank**"), Clearstream Banking société anonyme, Luxembourg (42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg) ("**Clearstream Banking SA**" or "**CBL**"), Clearstream Banking AG, Frankfurt am Main (Mergenthalerallee 61, 65760 Eschborn, Germany) ("**Clearstream Banking AG**" or "**CBF**"), Euroclear France SA (66 Rue de la Victoire, 75009 Paris, France) ("**Euroclear France**") and/or any alternative clearing system as specified in the Final Terms. The appropriate security identification codes for each Series of Securities will be contained in the Final Terms. The Issuer may decide to deposit, or otherwise arrange for the clearance of, Securities issued under the Programme with or through an alternative clearing system. The relevant details of such alternative clearing system will be specified in the Final Terms.

Agents

Principal Paying Agents under the Programme are UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany and (for Securities deposited with Clearstream Banking SA and Euroclear Bank) Citibank, N.A., London Office, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

The French Paying Agent for Euroclear France S.A. is CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France.

Calculation Agent under the Programme is UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany.

Luxembourg Listing Agent under the Programme is BNP Paribas Securities Services, Luxembourg Branch, 33, rue de Gasperich, Howald – Hesperange, L-2085 Luxembourg, Luxembourg.

The Issuer may decide to appoint another Principal Paying Agent and/or Calculation Agent for the Securities issued under the Base Prospectus. The relevant details of such alternative Principal Paying Agent and/or Calculation Agent will be specified in the Final Terms.

Significant Changes in HVB's Financial Position and Trend Information

The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2016 as well as other remaining imponderables. In this environment, HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived from this on a regular basis.

There has been (i) no significant change in the financial position of the HVB Group which has occurred since 31 March 2016, and (ii) no material adverse change in the prospects of the HVB Group since 31 December 2015, the date of its last published audited financial statements.

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

Any of the Distributors and their affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, any of such Distributors and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

With regard to trading of the Securities the Issuer has a conflict of interest being also the Market Maker on a *regulated or other equivalent market(s), if indicated in the Final Terms*; moreover a *relevant regulated or other equivalent market(s)*, is organized and managed by a company in which UniCredit S.p.A. – the Holding Company of UniCredit Bank AG as the Issuer – has a stake in. If applicable, such market will be indicated in the Final Terms. The Issuer is also the arranger of the Securities, if so specified in the Final Terms. The Issuer or any of their affiliates may also act as a Calculation Agent or Paying Agent, if so specified in the Final Terms.

Besides, conflicts of interest in relation to the Issuer or the persons entrusted with the offer may arise for the following reasons:

- The Issuer specifies the Issue Price.
- The Issuer and one of its affiliates act as Market Maker of the Securities (however, no such obligation exists).
- Distributors may receive inducements from the Issuer.
- The Issuer, any Distributor and any of their affiliates act as Calculation Agent or Paying Agent in relation to the Securities.
- From time to time, the Issuer, any Distributor and any of its affiliates may be involved in transactions on their own account or on the account of their clients, which affect the liquidity or the price of the Underlying or its components.
- The Issuer, any Distributor and its affiliates may issue securities in relation to the Underlying or its components on which already other securities have been issued.
- The Issuer, any Distributor and any of its affiliates may possess or obtain material information about the Underlying or its components (including publicly not accessible information) in connection with its business activities or otherwise.
- The Issuer, any Distributor and any of their affiliates may engage in business activities with the issuer of the Underlying or its components, its affiliates, competitors or guarantors.
- The Issuer, any Distributor and any of their affiliates may also act as a member of a syndicate of banks, as financial advisor or as bank of a sponsor or issuer of the Underlying or its components.
- The Issuer or one of its affiliates acts as index sponsor, index calculation agent, index advisor or index committee.

Third Party Information

Where information has been sourced from a third party, the Issuer confirms that to the best of its knowledge this information has been accurately reproduced and that so far as the Issuer is aware

and able to ascertain from information published by such third party no facts have been omitted which would render the reproduced information inaccurate or misleading.

Use of Proceeds and Reasons for the Offer

The net proceeds from each issue of Securities by the Issuer will be used for its general corporate purposes, i.e. making profit and/or hedging certain risks.

Information incorporated by reference in this Base Prospectus

The following information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus. Parts of such documents whose information is not incorporated by express reference are not relevant for potential investors.

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
Registration Document of UniCredit Bank AG, dated 22 April 2016¹⁾		
Risk Factors		
- Risks relating to the business activity of HVB Group	p. 3 to 12	p. 28
Statutory Auditors	p. 13	p. 49
UniCredit Bank AG		
- Information about HVB, the parent company of HVB Group	p. 14	p. 49
Business Overview		
- Principal Activities	p. 14	p. 49
- Business segments of HVB Group	p. 14 to 16	p. 49
- Principal Markets	p. 16	p. 49
Management and Supervisory Bodies	p. 16 to 18	p. 49
Major Shareholders	p. 18	p. 49
Auditors	p. 18	p. 49
Legal and Arbitration Proceedings	p. 19 to 22	p. 49
Audited financial statements of HVB Group for the fiscal year ended 31 December 2015 (Annual Report HVB Group 2015)²⁾		
- Consolidated Income Statement	p. 114 to 115	p. 49
- Consolidated Balance Sheet	p. 116 to 117	p. 49

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
- Statement of Changes in Consolidated Shareholders' Equity	p. 118 to 119	p. 49
- Consolidated Cash Flow Statement	p. 120 to 121	p. 49
- Notes	p. 122 to 252	p. 49
- Independent Auditors' Report	p. 253	p. 49
Audited unconsolidated financial statements (Jahresabschluss) of UniCredit Bank AG for the fiscal year ended 31 December 2015 (Annual Report UniCredit Bank AG (HVB) 2015)²⁾		
- Income Statement of UniCredit Bank AG	p. 84 to 85	p. 49
- Balance Sheet of UniCredit Bank AG	p. 86 to 91	p. 49
- Notes	p. 92 to 142	p. 49
- Auditors' Report	p. 143	p. 49
Audited financial statements of HVB Group for the fiscal year ended 31 December 2014 (Annual Report HVB Group 2014)²⁾		
- Consolidated Income Statement	p. 112 to 113	p. 49
- Consolidated Balance Sheet	p. 114 to 115	p. 49
- Statement of Changes in Consolidated Shareholders' Equity	p. 116 to 117	p. 49
- Consolidated Cash Flow Statement	p. 118 to 119	p. 49
- Notes to the Consolidated Financial Statements	p. 120 to 252	p. 49
- Auditors' Certificate	p. 253	p. 49

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
<p>Base prospectus of UniCredit Bank AG dated 21 February 2014 for the issuance of Worst-of Bonus Securities, Worst-of Express Securities and Worst-of Express Cash Collect Securities¹⁾</p> <ul style="list-style-type: none"> - Description of the Securities - Conditions of the Securities <p>The description of indices composed by the Issuer or by any legal entity belonging to the same group</p> <ul style="list-style-type: none"> - Cross Commodity Long/Short Index 	<p>p. 66 to 82</p> <p>p. 83 to 378</p> <p>p. 379 to 383</p>	<p>p. 73</p> <p>p. 131</p> <p>p. 132</p>
<p>Base prospectus of UniCredit Bank AG dated 20 April 2015 for the issuance of Securities with Multi-Underlying (without capital protection)¹⁾</p> <ul style="list-style-type: none"> - Description of the Securities - Conditions of the Securities 	<p>p. 51 to 66</p> <p>p. 67 to 122</p>	<p>p. 73</p> <p>p. 131</p>

¹⁾ The document is published on the following website of the Issuer:
<http://www.onemarkets.de/de/produkte/rechtliche-hinweise/basisprospekte.html>

²⁾ The document is published on the following website of the Issuer:
<http://investors.hypovereinsbank.de/cms/english/investorrelations/index.html>

UNAUDITED CONSOLIDATED RESULTS OF HVB GROUP AS OF 31 MARCH 2016

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Consolidated Accounts (selected Notes)	F-9

Financial Highlights

Key performance indicators

	1/1–31/3/2016	1/1–31/3/2015
Net operating profit	€215m	€182m
Cost-income ratio (based on operating income)	76.8%	79.0%
Profit before tax	€210m	€197m
Consolidated profit	€138m	€131m
Return on equity before tax ¹	4.1%	4.0%
Return on equity after tax ¹	2.7%	2.6%
Earnings per share	€0.17	€0.16

Balance sheet figures/key capital ratios

	31/3/2016	31/12/2015
Total assets	€313,878m	€298,745m
Shareholders' equity	€20,898m	€20,766m
Common Equity Tier 1 capital	€19,456m	€19,564m
Core capital (Tier 1 capital)	€19,456m	€19,564m
Risk-weighted assets (including equivalents for market risk and operational risk)	€82,946m	€78,057m
Common Equity Tier 1 capital ratio ²	23.5%	25.1%
Core capital ratio (Tier 1 ratio) ²	23.5%	25.1%
Leverage ratio ³	6.1%	5.9%

	31/3/2016	31/12/2015
Employees (in FTEs)	15,911	16,310
Branch offices	580	581

1 return on equity calculated on the basis of average shareholders' equity according to IFRS and projected profit before or after tax for the year as a whole at 31 March of the respective year

2 calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk

3 ratio of core capital to the sum total of the exposure values of all assets and off-balance-sheet items

Ratings

	LONG-TERM	SHORT-TERM	OUTLOOK	STAND-ALONE RATING	CHANGED/ CONFIRMED	PFANDBRIEFS		CHANGED/ CONFIRMED
						PUBLIC	MORTGAGE	
Fitch Ratings						AAA/stable	AAA/stable	6/11/2015 9/5/2016
Issuer Default Rating	A–	F2	negative	a–	7/3/2016			
Moody's						Aaa/–	Aaa/–	23/6/2015
Counterparty Risk	A1	P-1	—		26/1/2016			
Deposits	A2	P-1	stable		26/1/2016			
Senior Unsecured and Issuer Rating	Baa1	P-1	stable		26/1/2016			
Standard & Poor's						AAA/negative	—	7/7/2015
Issuer Credit Rating	BBB	A-2	negative	bbb+	9/6/2015			

Consolidated Income Statement

INCOME/EXPENSES	NOTES	1/1–31/3/2016	1/1–31/3/2015	CHANGE	
		€ millions	€ millions	€ millions	in %
Interest income		1,045	1,142	(97)	(8.5)
Interest expense		(403)	(490)	+ 87	(17.8)
Net interest	5	642	652	(10)	(1.5)
Dividends and other income from equity investments	6	41	6	+ 35	>+ 100.0
Net fees and commissions	7	291	302	(11)	(3.6)
Net trading income	8	104	180	(76)	(42.2)
Net other expenses/income	9	62	21	+ 41	>+ 100.0
Payroll costs		(440)	(464)	+ 24	(5.2)
Other administrative expenses		(373)	(403)	+ 30	(7.4)
Amortisation, depreciation and impairment losses					
on intangible and tangible assets		(62)	(50)	(12)	+ 24.0
Operating costs		(875)	(917)	+ 42	(4.6)
Net write-downs of loans and provisions					
for guarantees and commitments	10	(50)	(62)	+ 12	(19.4)
Provisions for risks and charges		(6)	(2)	(4)	>+ 100.0
Restructuring costs		—	—	—	—
Net income from investments	11	1	17	(16)	(94.1)
PROFIT BEFORE TAX		210	197	+ 13	+ 6.6
Income tax for the period		(72)	(66)	(6)	+ 9.1
PROFIT AFTER TAX		138	131	+ 7	+ 5.3
Impairment on goodwill		—	—	—	—
CONSOLIDATED PROFIT		138	131	+ 7	+ 5.3
attributable to the shareholder of UniCredit Bank AG		137	129	+ 8	+ 6.2
attributable to minorities		1	2	(1)	(50.0)

Earnings per share

(in €)

	NOTES	1/1–31/3/2016	1/1–31/3/2015
Earnings per share (undiluted and diluted)	12	0.17	0.16

Consolidated statement of total comprehensive income

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Consolidated profit recognised in the income statement	138	131
Income and expenses recognised in other comprehensive income		
Income and expenses not to be reclassified to the income statement in future periods		
Actuarial profit/(loss) on defined benefit plans (pension commitments)	—	—
Non-current assets held for sale	—	—
Other changes	—	—
Taxes on income and expenses not to be reclassified to the income statement in future periods	—	—
Income and expenses to be reclassified to the income statement in future periods		
Changes from foreign currency translation	(8)	8
Changes from companies accounted for using the equity method	—	—
Changes in valuation of financial instruments (AfS reserve)	12	(5)
Unrealised gains/(losses)	12	2
Gains/(losses) reclassified to the income statement	—	(7)
Changes in valuation of financial instruments (hedge reserve)	(4)	5
Unrealised gains/(losses)	—	—
Gains/(losses) reclassified to the income statement	(4)	5
Other changes	—	—
Taxes on income and expenses to be reclassified to the income statement in future periods	(2)	(1)
Total income and expenses recognised in equity under other comprehensive income	(2)	7
Total comprehensive income	136	138
of which:		
attributable to the shareholder of UniCredit Bank AG	135	136
attributable to minorities	1	2

Consolidated Balance Sheet

ASSETS	NOTES	31/3/2016	31/12/2015	CHANGE	
		€ millions	€ millions	€ millions	in %
Cash and cash balances		5,703	11,443	(5,740)	(50.2)
Financial assets held for trading	13	102,861	97,800	+ 5,061	+ 5.2
Financial assets at fair value through profit or loss	14	35,378	33,823	+ 1,555	+ 4.6
Available-for-sale financial assets	15	1,156	1,354	(198)	(14.6)
Investments in associates and joint ventures	16	49	56	(7)	(12.5)
Held-to-maturity investments	17	51	63	(12)	(19.0)
Loans and receivables with banks	18	43,800	32,832	+ 10,968	+ 33.4
Loans and receivables with customers	19	116,074	113,488	+ 2,586	+ 2.3
Hedging derivatives		519	450	+ 69	+ 15.3
Hedge adjustment of hedged items in the fair value hedge portfolio		62	57	+ 5	+ 8.8
Property, plant and equipment		2,961	3,230	(269)	(8.3)
Investment properties		1,102	1,163	(61)	(5.2)
Intangible assets		460	462	(2)	(0.4)
of which: goodwill		418	418	—	—
Tax assets		1,572	1,631	(59)	(3.6)
Current tax assets		319	347	(28)	(8.1)
Deferred tax assets		1,253	1,284	(31)	(2.4)
Non-current assets or disposal groups held for sale		1,366	104	+ 1,262	>+ 100.0
Other assets		764	789	(25)	(3.2)
Total assets		313,878	298,745	+ 15,133	+ 5.1

LIABILITIES	NOTES	31/3/2016	31/12/2015	CHANGE	
		€ millions	€ millions	€ millions	in %
Deposits from banks	21	62,905	58,480	+ 4,425	+ 7.6
Deposits from customers	22	114,135	107,690	+ 6,445	+ 6.0
Debt securities in issue	23	26,820	26,002	+ 818	+ 3.1
Financial liabilities held for trading	24	79,260	77,148	+ 2,112	+ 2.7
Hedging derivatives		888	1,049	(161)	(15.3)
Hedge adjustment of hedged items in the fair value hedge portfolio		2,351	2,030	+ 321	+ 15.8
Tax liabilities		778	745	+ 33	+ 4.4
Current tax liabilities		675	646	+ 29	+ 4.5
Deferred tax liabilities		103	99	+ 4	+ 4.0
Liabilities of disposal groups held for sale		1,212	31	+ 1,181	>+ 100.0
Other liabilities		2,504	2,572	(68)	(2.6)
Provisions	25	2,127	2,232	(105)	(4.7)
Shareholders' equity		20,898	20,766	+ 132	+ 0.6
Shareholders' equity attributable to the shareholder of UniCredit Bank AG		20,894	20,762	+ 132	+ 0.6
Subscribed capital		2,407	2,407	—	—
Additional paid-in capital		9,791	9,791	—	—
Other reserves		8,114	8,125	(11)	(0.1)
Changes in valuation of financial instruments		47	41	+ 6	+ 14.6
AfS reserve		20	11	+ 9	+ 81.8
Hedge reserve		27	30	(3)	(10.0)
Consolidated profit 2015		398	398	—	—
Net profit 1/1–31/3/2016 ¹		137	—	+ 137	>+ 100.0
Minority interest		4	4	—	—
Total shareholders' equity and liabilities		313,878	298,745	+ 15,133	+ 5.1

¹ attributable to the shareholder of UniCredit Bank AG

The 2015 profit available for distribution disclosed in the separate financial statements of UniCredit Bank AG (corresponding to the consolidated profit of HVB Group), which forms the basis for the appropriation of profit, amounts to €398 million. We will propose to the Shareholders' Meeting that a dividend of €398 million be paid to UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €0.50 per share after around €0.78 in 2014.

Statement of Changes in Shareholders' Equity

	SUBSCRIBED CAPITAL	ADDITIONAL PAID-IN CAPITAL	OTHER RESERVES	
			TOTAL OTHER RESERVES	OF WHICH: PENSIONS AND SIMILAR OBLIGATIONS (IAS 19)
Shareholders' equity at 1/1/2015	2,407	9,791	7,660	(1,245)
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Total income and expenses recognised in equity under other comprehensive income⁴	—	—	8	—
Changes in valuation of financial instruments not affecting income	—	—	—	—
Changes in valuation of financial instruments affecting income	—	—	—	—
Actuarial gains/(losses) on defined benefit plans	—	—	—	—
Reserve arising from foreign currency translation	—	—	8	—
Other changes	—	—	—	—
Total other changes in equity	—	—	—	—
Dividend payouts	—	—	—	—
Transfers from consolidated profit	—	—	—	—
Changes in group of consolidated companies	—	—	—	—
Capital decreases	—	—	—	—
Shareholders' equity at 31/3/2015	2,407	9,791	7,668	(1,245)
Shareholders' equity at 1/1/2016	2,407	9,791	8,125	(1,135)
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Total income and expenses recognised in equity under other comprehensive income⁴	—	—	(8)	—
Changes in valuation of financial instruments not affecting income	—	—	—	—
Changes in valuation of financial instruments affecting income	—	—	—	—
Actuarial gains/(losses) on defined benefit plans	—	—	—	—
Reserve arising from foreign currency translation	—	—	(8)	—
Other changes	—	—	—	—
Total other changes in equity	—	—	(3)	—
Dividend payouts	—	—	—	—
Transfers from consolidated profit	—	—	—	—
Changes in group of consolidated companies	—	—	(3)	—
Capital decreases	—	—	—	—
Shareholders' equity at 31/3/2016	2,407	9,791	8,114	(1,135)

1 The Shareholders' Meeting of 20 May 2015 resolved to distribute the 2014 consolidated profit in the amount of €627 million as a dividend to our sole shareholder UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €0.78 per share. We will propose to the Shareholders' Meeting that a dividend of €398 million (corresponding to the 2015 consolidated profit of HVB Group), be paid to our sole shareholder UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €0.50 per share.

2 attributable to the shareholder of UniCredit Bank AG

3 UniCredit Bank AG (HVB)

4 see Consolidated statement of total comprehensive income

(€ millions)

CHANGE IN VALUATION OF FINANCIAL INSTRUMENTS		CONSOLIDATED PROFIT ¹	PROFIT 1/1–31/3 ²	TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDER OF HVB ³	MINORITY INTEREST	TOTAL SHAREHOLDERS' EQUITY
AFS RESERVE	HEDGE RESERVE					
54	27	627	—	20,566	31	20,597
—	—	—	129	129	2	131
(5)	4	—	—	7	—	7
—	—	—	—	—	—	—
(5)	4	—	—	(1)	—	(1)
—	—	—	—	—	—	—
—	—	—	—	8	—	8
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
49	31	627	129	20,702	33	20,735
11	30	398	—	20,762	4	20,766
—	—	—	137	137	1	138
9	(3)	—	—	(2)	—	(2)
9	—	—	—	9	—	9
—	(3)	—	—	(3)	—	(3)
—	—	—	—	—	—	—
—	—	—	—	(8)	—	(8)
—	—	—	—	—	—	—
—	—	—	—	(3)	(1)	(4)
—	—	—	—	—	(2)	(2)
—	—	—	—	—	—	—
—	—	—	—	(3)	1	(2)
—	—	—	—	—	—	—
20	27	398	137	20,894	4	20,898

Accounting and Valuation

1 Accounting and valuation principles

The amounts shown in the tables and texts below relate to the reporting date of 31 March 2016 for disclosures regarding balance sheet items, or 31 December 2015 in the case of figures for the previous year, and totals for the period from 1 January to 31 March of the respective year for disclosures regarding the income statement.

IFRS basis

We are not formally obliged to prepare interim reports and quarterly financial statements at 31 March and 30 September. We have decided, however, to continue publishing interim reports on these dates with a view to retaining a high level of transparency on the market.

The income statement and balance sheet contained in the present Interim Report together with the associated selected notes have again been prepared in accordance with the regulations defined in the International Financial Reporting Standards (IFRS).

HVB Group reviews the depreciation methods and estimated useful lives applied to its property, plant and equipment on an annual basis, modifying them accordingly when material changes occur in the anticipated economic usage of the assets or the expectations differ from earlier assessments. At the beginning of 2016, we modified both the depreciation concept and the useful life of our Bard Offshore 1 wind farm. The adjustment to the anticipated development results from the accounting-related change in the estimated consumption of the potential economic benefits and an extension of the depreciation period to 28 years (up 3 years). This reflects the actual wear and tear on the plant more accurately, leading overall to additional depreciation of €11 million being recognised in the consolidated income statement in the reporting period (first quarter of 2016). In the subsequent periods, the modified depreciation concept will entail higher annual depreciation amounts in relative terms at first, despite the longer useful life.

We have applied the same accounting, valuation and disclosure principles in 2016 as in the consolidated financial statements for 2015 (please refer to the HVB Group Annual Report for 2015, starting on page 124).

The changes in the following standards newly published or revised by the IASB are mandatorily applicable in the EU for the first time in the 2016 financial year:

- Amendments to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”
- Amendments to IAS 1 “Presentation of Financial Statements – Disclosure Initiative”
- Amendments to IAS 16 and IAS 38 – “Clarification of Acceptable Methods of Depreciation and Amortisation”
- Amendments to IAS 19 “Employee Benefits – Defined Benefit Plans: Employee Contributions”
- Amendments to IAS 27 “Equity Method in Separate Financial Statements”
- “Annual Improvements to IFRSs 2010-2012 Cycle”
- “Annual Improvements to IFRSs 2012-2014 Cycle”

Implementation of these amendments will have no material effect on the consolidated financial statements of HVB Group.

2 Companies included in consolidation

The following companies were added to the group of companies included in consolidation in the first three months of 2016:

- WealthCap Aircraft 27 Komplementär GmbH, Grünwald
- WealthCap Entity Service GmbH, Munich

The company VuWB Investments Inc., Atlanta, left the group of companies included in consolidation in the first three months of 2016 due to completed liquidation.

Segment Reporting

3 Notes to segment reporting by business segment

In segment reporting, the activities of HVB Group are divided into the following business segments:

- Commercial Banking
- Corporate & Investment Banking (CIB)
- Other/consolidation

Method of segment reporting

The same principles are being applied in the 2016 financial year as were used at year-end 2015. We use risk-weighted assets compliant with Basel III as the criterion for allocating tied equity capital. The core capital allocated to the business segments of HVB as a proportion of risk-weighted assets compliant with Basel III was raised from 10% to 11% at the beginning of 2016. The interest rate used to assess the equity capital allocated to companies assigned to several business segments (HVB and UniCredit Luxembourg S.A.) was 2.38% in the 2015 financial year. This interest rate was redetermined for the 2016 financial year and has been 1.88% since 1 January 2016.

There were shifts in the income and expenses between the Commercial Banking and Corporate & Investment Banking business segments in the first quarter of 2016. These changes are mainly attributable to the formation of a joint venture connecting these two business segments.

The figures in previous periods affected by this reorganisation have been adjusted accordingly.

Segment Reporting (CONTINUED)

4 Income statement, broken down by business segment

Income statement, broken down by business segment for the period from 1 January to 31 March 2016

(€ millions)

INCOME/EXPENSES	COMMERCIAL BANKING	CORPORATE & INVESTMENT BANKING	OTHER/ CONSOLIDATION	HVB GROUP
Net interest	384	259	(1)	642
Dividends and other income from equity investments	20	—	21	41
Net fees and commissions	192	102	(3)	291
Net trading income	(12)	119	(3)	104
Net other expenses/income	(8)	24	46	62
OPERATING INCOME	576	504	60	1,140
Payroll costs	(170)	(117)	(153)	(440)
Other administrative expenses	(302)	(225)	154	(373)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(3)	(29)	(30)	(62)
Operating costs	(475)	(371)	(29)	(875)
OPERATING PROFIT	101	133	31	265
Net write-downs of loans and provisions for guarantees and commitments	8	(70)	12	(50)
NET OPERATING PROFIT	109	63	43	215
Provisions for risks and charges	(2)	(5)	1	(6)
Restructuring costs	—	—	—	—
Net income from investments	—	—	1	1
PROFIT BEFORE TAX	107	58	45	210

Income statement, broken down by business segment for the period from 1 January to 31 March 2015

(€ millions)

INCOME/EXPENSES	COMMERCIAL BANKING	CORPORATE & INVESTMENT BANKING	OTHER/ CONSOLIDATION	HVB GROUP
Net interest	393	269	(10)	652
Dividends and other income from equity investments	1	5	—	6
Net fees and commissions	208	99	(5)	302
Net trading income	2	180	(2)	180
Net other expenses/income	(16)	(8)	45	21
OPERATING INCOME	588	545	28	1,161
Payroll costs	(188)	(122)	(154)	(464)
Other administrative expenses	(317)	(239)	153	(403)
Amortisation, depreciation and impairment losses				
on intangible and tangible assets	(3)	(18)	(29)	(50)
Operating costs	(508)	(379)	(30)	(917)
OPERATING PROFIT/(LOSS)	80	166	(2)	244
Net write-downs of loans and provisions				
for guarantees and commitments	(33)	(34)	5	(62)
NET OPERATING PROFIT	47	132	3	182
Provisions for risks and charges	(3)	—	1	(2)
Restructuring costs	—	—	—	—
Net income from investments	—	6	11	17
PROFIT BEFORE TAX	44	138	15	197

Segment Reporting (CONTINUED)

Development of the Commercial Banking business segment

(€ millions)

INCOME/EXPENSES	1/1–31/3/ 2016	1/1–31/3/ 2015	Q4 2015	Q3 2015	Q2 2015
Net interest	384	393	397	404	410
Dividends and other income from equity investments	20	1	5	42	—
Net fees and commissions	192	208	161	182	187
Net trading income	(12)	2	26	6	36
Net other expenses/income	(8)	(16)	14	7	6
OPERATING INCOME	576	588	603	641	639
Payroll costs	(170)	(188)	(170)	(178)	(182)
Other administrative expenses	(302)	(317)	(290)	(306)	(312)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(3)	(3)	(3)	(3)	(3)
Operating costs	(475)	(508)	(463)	(487)	(497)
OPERATING PROFIT	101	80	140	154	142
Net write-downs of loans and provisions for guarantees and commitments	8	(33)	(22)	4	(29)
NET OPERATING PROFIT	109	47	118	158	113
Provisions for risks and charges	(2)	(3)	(43)	(40)	(33)
Restructuring costs	—	—	14	—	—
Net income from investments	—	—	4	—	36
PROFIT BEFORE TAX	107	44	93	118	116
Cost-income ratio in %	82.5	86.4	76.8	76.0	77.8

The Commercial Banking business segment increased its operating profit by 26.3%, or €21 million, in the first quarter of 2016 to reach €101 million.

Within this total, the operating income of €576 million recorded in the first quarter of 2016 almost equalled the amount of €588 million generated in the equivalent period last year. Despite a further reduction in what were already ultra-low interest rates, net interest suffered only a slight decline of 2.3% to €384 million. Among other things, this is attributable on the retail banking side to increased volumes of real estate finance (up 4%) coupled with stable margins, strong new business written in consumer lending activities (up 59%) and a slight recovery in demand for credit on the corporate banking side (up 2.2%) coupled with practically stable margins. Set against this, deposit-taking operations continued to be impacted by the persistently ultra-low interest rates. At €192 million, net fees and commissions failed to match the year-ago total of €208 million. For the most part, this can be attributed to the sale of PlanetHome AG and its subsidiaries in the second quarter of 2015. In addition, net trading income fell by €14 million to a loss of €12 million as a result of the credit valuation adjustments recognised on our holdings of derivatives. By contrast, dividends and other income from equity investments increased by a sharp €19 million to €20 million on account of an extraordinary dividend payout received from our investment in EURO Kartensysteme GmbH. There was also an improvement in net other expenses/income, from a net expense of €16 million in the first quarter of 2015 to a net expense of €8 million in the reporting period.

There was a pleasing decline in operating costs, down 6.5%, or €33 million, to €475 million, with the business segment continuing to benefit from positive cost effects arising from the repositioning of the retail banking activity. Payroll costs fell by 9.6%, or €18 million, to €170 million, partly due to the smaller workforce. There was also a reduction in other administrative expenses, down 4.7%, or €15 million, to €302 million, attributable among other things to reduced marketing expenditures and lower other project-related modernisation costs.

The cost-income ratio improved from 86.4% in the first quarter of 2015 to 82.5% in the reporting period, due exclusively to the fall in costs coupled with almost stable operating income.

There was a net reversal of €8 million in net write-downs of loans and provisions for guarantees and commitments in the first quarter of 2016 following a net addition of €33 million in the equivalent period last year, resulting in an aggregate decline of €41 million. Taken together with the good operating profit, this led to a sharp rise in net operating profit from €47 million in the first quarter of 2015 to €109 million in the first quarter of 2016.

After provisions for risks and charges of €2 million (first quarter of 2015: €3 million), the business segment generated a profit before tax of €107 million, which is a healthy €63 million higher than the year-ago total.

Development of the Corporate & Investment Banking business segment

(€ millions)

INCOME/EXPENSES	1/1–31/3/ 2016	1/1–31/3/ 2015	Q4 2015	Q3 2015	Q2 2015
Net interest	259	269	353	241	270
Dividends and other income from equity investments	—	5	3	7	3
Net fees and commissions	102	99	72	69	72
Net trading income	119	180	14	41	225
Net other expenses/income	24	(8)	64	57	16
OPERATING INCOME	504	545	506	415	586
Payroll costs	(117)	(122)	(116)	(126)	(124)
Other administrative expenses	(225)	(239)	(207)	(222)	(241)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(29)	(18)	(19)	(18)	(17)
Operating costs	(371)	(379)	(342)	(366)	(382)
OPERATING PROFIT	133	166	164	49	204
Net write-downs of loans and provisions for guarantees and commitments	(70)	(34)	(43)	24	(1)
NET OPERATING PROFIT	63	132	121	73	203
Provisions for risks and charges	(5)	—	(36)	(4)	(29)
Restructuring costs	—	—	(30)	—	—
Net income from investments	—	6	1	—	(5)
PROFIT BEFORE TAX	58	138	56	69	169
Cost-income ratio in %	73.6	69.5	67.6	88.2	65.2

The operating profit of the Corporate & Investment Banking business segment in the first quarter of 2016 amounted to €133 million, which is €33 million below the year-ago figure (first quarter of 2015: €166 million). Within this total, operating income at €504 million was €41 million, or 7.5%, lower than in the equivalent period last year (first quarter of 2015: €545 million), while operating costs improved by a slight €8 million, or 2.1%, to €371 million (first quarter of 2015: €379 million).

The decline in operating income resulted mainly from the fall of €61 million in net trading income to €119 million (first quarter of 2015: €180 million). The total again included a significant profit on operations involving equity derivatives, although this failed to match the amount recorded in the first quarter of 2015. The results in interest-related and treasury operations were below those recorded in the equivalent period last year, due mainly to the difficult market environment at the start of the year and the resulting reticence on the part of customers. Funding valuation adjustments, which had been recognised for the first time in the fourth quarter of 2015, served to depress the total in the first quarter of 2016. These expenses were, however, offset by a positive effect arising from lower credit valuation adjustments compared with last year.

Segment Reporting (CONTINUED)

As was already the case in the previous year, extremely low interest rates had an adverse effect on the results in interest-related operations in the first quarter of 2016. Pleasingly, higher volumes in lending operations offset the constantly narrowing margins and the decline in trading-induced interest at least in part. This resulted in the net interest of €259 million only being €10 million lower than the year-ago total (first quarter of 2015: €269 million).

By contrast, the total of €102 million recorded for net fees and commissions was a slight €3 million higher than the year-ago figure (first quarter of 2015: €99 million); this can be attributed mainly to the increase in demand from companies for capital market products (such as bond and stock issues) with a view to raising equity capital and debt. An improvement was similarly achieved in net other expenses/income, which increased by €32 million to €24 million (first quarter of 2015: net expense of €8 million). The total includes higher income recorded in connection with our Bard Offshore 1 wind farm.

Operating costs fell by a slight €8 million to €371 million compared with the first quarter of 2015 (first quarter of 2015: €379 million). Within this total, payroll costs decreased by €5 million to €117 million (first quarter of 2015: €122 million) and other administrative expenses by €14 million to €225 million (first quarter of 2015: €239 million). By contrast, amortisation, depreciation and impairment losses on intangible and tangible assets increased by €11 million to €29 million (first quarter of 2015: €18 million), attributable notably to an adjustment to the concept applied for amortisation and depreciation recognised on our Bard Offshore 1 wind farm. The cost-income ratio rose by 4.1% percentage points to 73.6% on account of the decline in operating income.

Although the very low net write-downs of loans and provisions for guarantees and commitments of merely €70 million in the reporting period were €36 million higher than the year-ago figure of €34 million, this very low total reflects both the economic environment and our risk-sensitive business policy. An amount of €5 million was recorded for provisions for risks and charges in the first quarter of 2016 (first quarter of 2015: €-million).

The CIB business segment recorded a profit before tax of €58 million. This is €80 million below the total of €138 million recorded in the first quarter of 2015, due notably to the lower operating income and higher net write-downs of loans and provisions for guarantees and commitments.

Development of the Other/consolidation business segment

(€ millions)

INCOME/EXPENSES	1/1–31/3/ 2016	1/1–31/3/ 2015	Q4 2015	Q3 2015	Q2 2015
Net interest	(1)	(10)	14	(1)	(12)
Dividends and other income from equity investments	21	—	—	(1)	4
Net fees and commissions	(3)	(5)	(3)	(5)	(2)
Net trading income	(3)	(2)	(7)	(5)	9
Net other expenses/income	46	45	48	42	43
OPERATING INCOME	60	28	52	30	42
Payroll costs	(153)	(154)	(154)	(153)	(154)
Other administrative expenses	154	153	116	152	153
Amortisation, depreciation and impairment losses on intangible and tangible assets	(30)	(29)	(26)	(29)	(30)
Operating costs	(29)	(30)	(64)	(30)	(31)
OPERATING PROFIT/(LOSS)	31	(2)	(12)	—	11
Net write-downs of loans and provisions for guarantees and commitments	12	5	19	15	(18)
NET OPERATING PROFIT/(LOSS)	43	3	7	15	(7)
Provisions for risks and charges	1	1	(12)	—	5
Restructuring costs	—	—	(96)	—	—
Net income from investments	1	11	31	5	10
PROFIT/(LOSS) BEFORE TAX	45	15	(70)	20	8
Cost-income ratio in %	48.3	107.1	123.1	100.0	73.8

The operating income of this business segment amounted €60 million in the first quarter of 2016. Compared with the €28 million recorded in the year-ago period, this represents an increase of €32 million. For the most part, this strong expansion can be attributed to dividend income of €21 million from our shareholdings, while net interest improved by €9 million to minus €1 million at the same time.

With operating costs remaining almost unchanged at €29 million (first quarter of 2015: €30 million), the operating profit amounted to €31 million compared with a loss of €2 million in the equivalent period last year.

There was a net reversal of €12 million in net write-downs of loans and provisions for guarantees and commitments compared with a net reversal of €5 million in the previous year. A net reversal of €1 million left provisions for risks and charges at the same level as last year (first quarter of 2015: net reversal of €1 million), while net income of €1 million was recorded from investments. The net income from investments of €11 million generated in the previous year stemmed from the disposal of investment properties. The improvement in profit before tax from €30 million to €45 million resulted mainly from the dividend payment received.

Notes to the Income Statement

5 Net interest

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Interest income	1,045	1,142
Lending and money market transactions	720	804
Other interest income	325	338
Interest expense	(403)	(490)
Deposits	(53)	(108)
Debt securities in issue and other interest expenses	(350)	(382)
Total	642	652

6 Dividends and other income from equity investments

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Dividends and other similar income	42	3
Companies accounted for using the equity method	(1)	3
Total	41	6

7 Net fees and commissions

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Fee and commission income	391	379
Fee and commission expense	(100)	(77)
Net fees and commissions	291	302
thereof:		
Management, brokerage and consultancy services	155	161
Collection and payment services	48	50
Lending operations	90	83
Other service operations	(2)	8

8 Net trading income

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Net gains on financial assets held for trading ¹	160	113
Effects arising from hedge accounting	(33)	18
Changes in fair value of hedged items	(380)	(190)
Changes in fair value of hedging derivatives	347	208
Net gains/(losses) on financial assets at fair value through profit or loss (fair value option) ²	(23)	51
Other net trading income	—	(2)
Total	104	180

¹ including dividends on financial assets held for trading

² also including the valuation results of derivatives concluded to hedge financial assets through fair value at profit or loss (effect in the first quarter of 2016: minus €173 million; effect in the equivalent period last year: minus €78 million)

The effects arising from hedge accounting include the hedge results of the fair value hedge portfolio and the individual micro fair value hedges as a net aggregate total.

The net gains on holdings at fair value through profit or loss (held-for-trading portfolio and fair value option) generally only contain the changes in fair value disclosed in the income statement. The interest income from held-for-trading portfolios is normally disclosed under net interest. To ensure that the full contribution of these activities to profits is disclosed, the interest cash flows are only carried in net trading income for the interest rate swap trading book, which exclusively contains interest rate derivatives.

9 Net other expenses/income

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Other income	164	127
Other expenses	(102)	(106)
Total	62	21

10 Net write-downs of loans and provisions for guarantees and commitments

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Additions/releases	(63)	(71)
Allowances for losses on loans and receivables	(73)	(95)
Allowances for losses on guarantees and indemnities	10	24
Recoveries from write-offs of loans and receivables	13	10
Gains/(losses) on the disposal of impaired loans and receivables	—	(1)
Total	(50)	(62)

Notes to the Income Statement (CONTINUED)

11 Net income from investments

Net income from investments

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Available-for-sale financial assets	(1)	8
Shares in affiliated companies	—	—
Companies accounted for using the equity method	—	—
Held-to-maturity investments	—	—
Land and buildings	—	—
Investment properties ¹	2	9
Other	—	—
Total	1	17

¹ gains on disposal, impairments and write-ups

Net income from investments breaks down as follows:

(€ millions)

	1/1–31/3/2016	1/1–31/3/2015
Gains on the disposal of	—	17
available-for-sale financial assets	—	8
shares in affiliated companies	—	—
companies accounted for using the equity method	—	—
held-to-maturity investments	—	—
land and buildings	—	—
investment properties	—	9
other	—	—
Write-downs, value adjustments and write-ups on	1	—
available-for-sale financial assets	(1)	—
shares in affiliated companies	—	—
companies accounted for using the equity method	—	—
held-to-maturity investments	—	—
investment properties	2	—
Total	1	17

12 Earnings per share

	1/1–31/3/2016	1/1–31/3/2015
Consolidated profit attributable to the shareholder (€ millions)	137	129
Average number of shares	802,383,672	802,383,672
Earnings per share (€) (undiluted and diluted)	0.17	0.16

Notes to the Balance Sheet

13 Financial assets held for trading

(€ millions)

	31/3/2016	31/12/2015
Balance-sheet assets	34,892	36,187
Fixed-income securities	10,206	10,360
Equity instruments	9,757	11,446
Other financial assets held for trading	14,929	14,381
Positive fair value from derivative financial instruments	67,969	61,613
Total	102,861	97,800

The financial assets held for trading include €227 million (31 December 2015: €275 million) in subordinated assets.

14 Financial assets at fair value through profit or loss

(€ millions)

	31/3/2016	31/12/2015
Fixed-income securities	34,159	32,660
Equity instruments	—	—
Investment certificates	—	—
Promissory notes	1,219	1,163
Other financial assets at fair value through profit or loss	—	—
Total	35,378	33,823

The financial assets at fair value through profit or loss (fair value option) include €6 million (31 December 2015: €6 million) in subordinated assets.

15 Available-for-sale financial assets

(€ millions)

	31/3/2016	31/12/2015
Fixed-income securities	850	1,048
Equity instruments	95	95
Other available-for-sale financial assets	62	45
Impaired assets	149	166
Total	1,156	1,354

Available-for-sale financial assets at 31 March 2016 include financial instruments of €212 million (31 December 2015: €214 million) valued at cost.

Available-for-sale financial assets at 31 March 2016 contain a total of €149 million (31 December 2015: €166 million) in impaired assets. Impairments of €1 million (first quarter of 2015: €–million) were taken to the income statement during the reporting period.

None of the non-impaired debt instruments are financial instruments past due.

The available-for-sale financial assets at 31 March 2016 include €159 million (31 December 2015: €165 million) in subordinated assets.

Notes to the Balance Sheet (CONTINUED)

16 Shares in associated companies accounted for using the equity method and joint ventures accounted for using the equity method

(€ millions)

	31/3/2016	31/12/2015
Associated companies accounted for using the equity method	49	56
of which: goodwill	11	11
Joint ventures accounted for using the equity method	—	—
Total	49	56

17 Held-to-maturity investments

(€ millions)

	31/3/2016	31/12/2015
Fixed-income securities	51	63
Impaired assets	—	—
Total	51	63

The held-to-maturity investments at 31 March 2016 include no subordinated assets, as was also the case at 31 December 2015.

The held-to-maturity investments at 31 March 2016 include no impaired assets, as was also the case at 31 December 2015.

18 Loans and receivables with banks

(€ millions)

	31/3/2016	31/12/2015
Current accounts	942	1,355
Cash collateral and pledged credit balances	10,003	9,282
Reverse repos	24,586	14,474
Reclassified securities	501	523
Other loans to banks	7,768	7,198
Total	43,800	32,832

The other loans to banks consist mostly of term deposits and bonds.

The loans and receivables with banks at 31 March 2016 include €5 million (31 December 2015: €5 million) in subordinated assets.

19 Loans and receivables with customers

(€ millions)

	31/3/2016	31/12/2015
Current accounts	8,075	7,666
Cash collateral and pledged cash balances	2,706	2,498
Reverse repos	1,396	313
Mortgage loans	41,489	41,720
Finance leases	2,093	2,120
Reclassified securities	1,520	1,658
Non-performing loans and receivables	3,023	3,199
Other loans and receivables	55,772	54,314
Total	116,074	113,488

Other loans and receivables largely comprise miscellaneous other loans, installment loans, term deposits and refinanced special credit facilities.

Loans and receivables with customers include an amount of €2,373 million (31 December 2015: €2,407 million) funded under the fully consolidated Arabella conduit programme. This essentially involves buying short-term accounts payable and medium-term receivables under lease agreements from customers and funding them by issuing commercial paper on the capital market. The securitised loans and receivables essentially reflect loans and receivables of European borrowers, with a majority of the loans and receivables relating to German borrowers.

The loans and receivables with customers at 31 March 2016 include €505 million (31 December 2015: €503 million) in subordinated assets.

20 Allowances for losses on loans and receivables with customers and banks

Analysis of loans and receivables

(€ millions)

Balance at 1/1/2015	2,859
Changes affecting income ¹	95
Changes not affecting income	3
Changes due to make-up of group of consolidated companies and reclassifications of non-current assets or disposal groups held for sale	—
Use of existing loan-loss allowances	(50)
Effects of currency translation and other changes not affecting income	53
Non-current assets or disposal groups held for sale	—
Balance at 31/3/2015	2,957
Balance at 1/1/2016	2,688
Changes affecting income ¹	73
Changes not affecting income	(46)
Changes due to make-up of group of consolidated companies and reclassifications of non-current assets or disposal groups held for sale	(8)
Use of existing loan-loss allowances	(4)
Effects of currency translation and other changes not affecting income	(34)
Non-current assets or disposal groups held for sale	—
Balance at 31/3/2016	2,715

¹ the changes affecting income include the gains on the disposal of impaired loans and receivables

21 Deposits from banks

(€ millions)

	31/3/2016	31/12/2015
Deposits from central banks	5,355	9,319
Deposits from banks	57,550	49,161
Current accounts	4,583	2,665
Cash collateral and pledged credit balances	12,611	13,300
Repos	25,316	18,663
Term deposits	5,156	4,316
Other liabilities	9,884	10,217
Total	62,905	58,480

22 Deposits from customers

(€ millions)

	31/3/2016	31/12/2015
Current accounts	67,151	67,850
Cash collateral and pledged credit balances	3,869	2,126
Savings deposits	13,785	13,792
Repos	7,822	4,599
Term deposits	15,688	13,679
Promissory notes	3,729	3,825
Other liabilities	2,091	1,819
Total	114,135	107,690

Notes to the Balance Sheet (CONTINUED)

23 Debt securities in issue

(€ millions)

	31/3/2016	31/12/2015
Bonds	24,840	23,961
of which:		
Registered mortgage Pfandbriefs	5,756	5,731
Registered public-sector Pfandbriefs	2,780	2,811
Mortgage Pfandbriefs	9,388	8,430
Public-sector Pfandbriefs	1,365	1,437
Registered bonds	2,561	2,283
Other securities	1,980	2,041
Total	26,820	26,002

24 Financial liabilities held for trading

(€ millions)

	31/3/2016	31/12/2015
Negative fair values arising from derivative financial instruments	62,546	58,739
Other financial liabilities held for trading	16,714	18,409
Total	79,260	77,148

The negative fair values arising from derivative financial instruments are carried as financial liabilities held for trading purposes. Also included under other financial liabilities held for trading purposes are warrants, certificates and bonds issued by our trading department as well as delivery obligations arising from short sales of securities not held for trading purposes.

25 Provisions

(€ millions)

	31/3/2016	31/12/2015
Provisions for pensions and similar obligations	580	618
Allowances for losses on guarantees and commitments and irrevocable credit commitments	188	197
Restructuring provisions	209	213
Other provisions	1,150	1,204
Payroll provisions	313	318
Provisions related to tax disputes (without income taxes)	42	42
Provisions for rental guarantees and dismantling obligations	143	143
Other provisions	652	701
Total	2,127	2,232

26 Subordinated capital

The following table shows the breakdown of subordinated capital included in deposits from banks and customers and debt securities in issue: (€ millions)

	31/3/2016	31/12/2015
Subordinated liabilities	593	637
Hybrid capital instruments	55	58
Total	648	695

Other Information

27 Contingent liabilities and other commitments

(€ millions)

	31/3/2016	31/12/2015
Contingent liabilities¹	19,578	19,353
Guarantees and indemnities	19,578	19,353
Other commitments	44,975	48,731
Irrevocable credit commitments	44,914	48,683
Other commitments ²	61	48
Total	64,553	68,084

1 Contingent liabilities are offset by contingent assets to the same amount.

2 Not included in other commitments are the future payment commitments arising from non-cancellable operating leases.

Other Information (CONTINUED)

28 Members of the Supervisory Board

Federico Ghizzoni **Chairman**

Florian Schwarz **Deputy Chairmen**
Dr Wolfgang Sprissler

Mirko Davide Georg Bianchi **Members**
Beate Dura-Kempf
Klaus Grünewald
Werner Habich
Prof Dr Annette G. Köhler
Dr Marita Kraemer
Gianni Franco Papa
Klaus-Peter Prinz
Jens-Uwe Wächter

**29 Members of the
Management Board**

Peter Buschbeck	Commercial Banking/ Private Clients Bank
Dr Michael Diederich	Corporate & Investment Banking
Lutz Diederichs	Commercial Banking/ Unternehmer Bank
Francesco Giordano	Chief Financial Officer (CFO)
Heinz Laber	Chief Operating Officer (COO), Human Resources Management, Global Banking Services
Andrea Umberto Varese	Chief Risk Officer (CRO)
Dr Theodor Weimer	Board Spokesman

Munich, 2 May 2016

UniCredit Bank AG
The Management Board



Buschbeck

Dr Diederich

Diederichs

Giordano



Laber

Varese

Dr Weimer

UniCredit Bank AG

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Signed by

Sandra Braun

Yulia Yakovleva