



UniCredit Bank AG

Munich, Federal Republic of Germany

Base Prospectus

for the issuance of

Open End Securities

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

4 August 2014

This document constitutes a base prospectus (the "**Base Prospectus**") according to Art. 5 (4) of Directive 2003/71/EC, as amended, (the "**Prospectus Directive**") in connection with Section 6 of the German Securities Prospectus Act, as amended, (*Wertpapierprospektgesetz*, the "**WpPG**") in connection with the Commission Regulation (EC) No 809/2004, as amended, for the issuance of open end securities (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 25 April 2014 (the "**Registration Document**"), whose information is incorporated herein by reference, (b) the supplements to this Base Prospectus in accordance with Section 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.

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

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Securities. The delivery of this Base Prospectus does not imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date of this Base Prospectus or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Issuer will be obliged to supplement this Base Prospectus pursuant to Section 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.</p> <p>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"), Kardinal-Faulhaber-Straße 1, 80333 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 term of its validity 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>][for an offer period of twelve (12) months following the <i>[Insert date at which the Final Terms will be filed with BaFin]</i>] [during the period the Base Prospectus is valid pursuant to Section 9 WpPG].]</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</p>

		Securities. This commitment is made by the publication of the financial intermediary on its website stating that the prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.] Besides, the consent is not subject to any other conditions.] [Not applicable. No consent is given.]
	Provision of terms and conditions of the offer by financial intermediary	[Information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary.] [Not applicable. No consent is given.]

B. ISSUER

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 Kardinal-Faulhaber-Straße 1, 80333 Munich, was incorporated in Germany and is registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany.
B.4b	Known trends affecting the issuer and the industries in which it operates	The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2014 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. KPMG AG Wirtschaftsprüfungsgesellschaft, the independent auditors (Wirtschaftsprüfer) of UniCredit Bank for the financial year 2012 have audited the consolidated financial statements of HVB Group and the unconsolidated financial statement of UniCredit Bank as of and for the year ended 31 December 2012 and have issued an unqualified audit opinion thereon. Deloitte & Touche GmbH, Wirtschaftsprüfungsgesellschaft, the independent auditors (Wirtschaftsprüfer) of UniCredit Bank for the financial year 2013, have audited the consolidated financial statements of HVB Group and the

		unconsolidated financial statement of UniCredit Bank as of and for the year ended 31 December 2013 and have issued an unqualified audit opinion thereon.																																																												
B.12	Selected historical key financial information	<p>Consolidated Financial Highlights as of 31 December 2013*</p> <table border="1"> <thead> <tr> <th>Key performance indicators</th> <th>1/1 – 31/12/2013</th> <th>1/1 – 31/12/2012</th> </tr> </thead> <tbody> <tr> <td>Net operating income</td> <td>€1,839m</td> <td>€1,807m</td> </tr> <tr> <td>Cost-income ratio (based on operating income)</td> <td>63.6%</td> <td>58.1%</td> </tr> <tr> <td>Profit before tax</td> <td>€1,458m</td> <td>€2,058m</td> </tr> <tr> <td>Consolidated profit</td> <td>€1,074m</td> <td>€1,287m</td> </tr> <tr> <td>Return on equity before tax¹⁾</td> <td>7.1%</td> <td>9.2%</td> </tr> <tr> <td>Return on equity after tax¹⁾</td> <td>5.8%</td> <td>5.8%</td> </tr> <tr> <td>Earnings per share</td> <td>€1.29</td> <td>€1.55</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <th>Balance sheet figures</th> <th>31/12/2013</th> <th>31/12/2012</th> </tr> <tr> <td>Total assets</td> <td>€290.0bn</td> <td>€347.3bn</td> </tr> <tr> <td>Shareholders' equity</td> <td>€21.0bn</td> <td>€23.3bn</td> </tr> <tr> <td>Leverage ratio²⁾</td> <td>7.1%</td> <td>6.6%</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <th>Key capital ratios compliant with Basel II</th> <th>31/12/2013</th> <th>31/12/2012</th> </tr> <tr> <td>Core capital without hybrid capital (core Tier 1 capital)</td> <td>€18.4bn</td> <td>€19.1bn</td> </tr> <tr> <td>Core capital (Tier 1 capital)</td> <td>€18.5bn</td> <td>€19.5bn</td> </tr> <tr> <td>Risk-weighted assets (including equivalents for market risk and operational risk)</td> <td>€85.5bn</td> <td>€109.8bn</td> </tr> <tr> <td>Core capital ratio without hybrid capital (core Tier 1 ratio)³⁾</td> <td>21.5%</td> <td>17.4%</td> </tr> <tr> <td>Core capital ratio (Tier 1 ratio)³⁾</td> <td>21.6%</td> <td>17.8%</td> </tr> </tbody> </table> <p>* Figures shown in this table are audited and taken from the Issuer's Consolidated Annual Report as of 31 December 2013</p> <p>¹⁾ Return on equity calculated on the basis of average shareholders' equity according to IFRS.</p> <p>²⁾ Ratio of shareholders' equity shown in the balance sheet less intangible assets to total assets less intangible assets</p> <p>³⁾ Calculated on the basis of risk-weighted assets, including equivalents for market risk and</p>	Key performance indicators	1/1 – 31/12/2013	1/1 – 31/12/2012	Net operating income	€1,839m	€1,807m	Cost-income ratio (based on operating income)	63.6%	58.1%	Profit before tax	€1,458m	€2,058m	Consolidated profit	€1,074m	€1,287m	Return on equity before tax ¹⁾	7.1%	9.2%	Return on equity after tax ¹⁾	5.8%	5.8%	Earnings per share	€1.29	€1.55				Balance sheet figures	31/12/2013	31/12/2012	Total assets	€290.0bn	€347.3bn	Shareholders' equity	€21.0bn	€23.3bn	Leverage ratio ²⁾	7.1%	6.6%				Key capital ratios compliant with Basel II	31/12/2013	31/12/2012	Core capital without hybrid capital (core Tier 1 capital)	€18.4bn	€19.1bn	Core capital (Tier 1 capital)	€18.5bn	€19.5bn	Risk-weighted assets (including equivalents for market risk and operational risk)	€85.5bn	€109.8bn	Core capital ratio without hybrid capital (core Tier 1 ratio) ³⁾	21.5%	17.4%	Core capital ratio (Tier 1 ratio) ³⁾	21.6%	17.8%
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operational risk.

Consolidated Financial Highlights as of 31 March 2014*

Key performance indicators	1/1 – 31/03/2014	1/1 – 31/03/2013
Net operating profit	€250m	€554m
Cost-income ratio (based on operating income)	74.0%	57.9%
Profit before tax	€296m	€613m
Consolidated profit	€191m	€403m
Return on equity before tax ¹⁾	5.9%	11.8%
Return on equity after tax ¹⁾	3.8%	8.1%
Earnings per share	€0.24	€0.51
Balance sheet figures	31/03/2014	31/12/2013
Total assets	€297.7bn	€290.0bn
Shareholders' equity	€21.2bn	€21.0bn
Leverage ratio ²⁾	7.0%	7.1%
Key capital ratios	31/03/2014 Basel III	31/12/2013 Basel II
Core capital without hybrid capital (core Tier 1 capital)	-	€18.4bn
Common Equity Tier 1 capital	€19.0bn	-
Core capital (Tier 1 capital)	€19.0bn	€18.5bn
Risk-weighted assets (including equivalents for market risk and operational risk)	€90.8bn	€85.5bn
Core capital ratio without hybrid capital (core Tier 1 ratio) ³⁾	-	21.5%
Common Equity Tier 1 capital ratio ³⁾	21.0%	-
Core capital ratio (Tier 1 ratio) ³⁾	21.0%	21.6%

* Figures shown in this table are unaudited and taken from the Issuer's Consolidated Interim Report as of 31 March 2014

1) Return on equity calculated on the basis of average shareholders' equity with IFRS and projected profit before tax at 31 March 2014 for the year as a whole

2) Ratio of shareholders' equity shown in the balance sheet less intangible assets to total

		<p>assets less intangible assets</p> <p>3) Calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk</p>
	<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 2013, the date of its last published audited financial statements (Annual Report 2013).</p> <p>There has been no significant change in the financial position of HVB Group since 31 March 2014.</p>
B.13	Recent developments	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	<p>B.5 plus</p> <p>statement of dependency upon other entities within the group</p>	<p>See B.5</p> <p>Not applicable. UniCredit Bank is not dependent on any entity within HVB Group.</p>
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 for corporate customers and</p>

		fund products for all asset classes, advisory and brokerage services, securities transactions, liquidity and financial risk management, advisory services for affluent customers and investment banking products for corporate customers.
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>[Open End Securities] [Open End Quanto Securities] [Open End Compo Securities] The Securities will be issued as non-par value [Notes] [Certificates]. ["Notes"] ["Certificates"] are debt instruments in bearer form (<i>Inhaberschuldverschreibungen</i>) pursuant to Section 793 German Civil Code (<i>Bürgerliches Gesetzbuch, BGB</i>). [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.] The holders of the Securities (the "Security Holders") are not entitled to receive definitive Securities. The [ISIN] [WKN] is specified in the table attached to this summary.</p>
C.2	Currency of the securities issue	The Securities are issued in [<i>Insert</i>] (the " Specified Currency ").
C.5	Restrictions of any free transferability of the securities	Not applicable. The Securities are freely transferable.
C.8	Rights attached to the securities, including ranking and limitations to those rights	<p>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.</p> <p>Rights attached to the Securities The Securities do not have a fixed term. Instead they will continue indefinitely until Security Holders exercise their Redemption Right or the Issuer exercises its Regular Call Right. [The Securities do not bear interest] [Each Security Holder may demand payment of the respective Interest Amount at each Interest Payment Date (as defined in the Final Terms).] [The Security Holders shall be entitled to receive payment of the respective</p>

		<p>Dividend Amount (as defined in C.15) at each Dividend Amount Payment Date (as defined in the Final Terms).]</p> <p>Subject to the exercise of the Redemption Right, each Security Holder shall be entitled to demand the payment of the Redemption Amount (as defined in C.15) at a Redemption Date (as defined in C.16) (the "Redemption Right").</p> <p>The Issuer may call the Securities on any Exercise Date (as defined in C.16) in whole but not in part and pay the the Redemption Amount (the "Regular Call Right").</p> <p>Limitations of the rights</p> <p>The Issuer may call the Securities or adjust the terms and conditions of the Securities.</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, at least <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 [Insert expected date] on the following regulated or unregulated markets: [Insert relevant regulated or unregulated market(s)].]</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.]</p> <p>[The [Insert name of the Market Maker] (also the "Market Maker") undertakes to provide liquidity through bid and offer quotes in accordance with the market making rules of [Insert relevant regulated or (an) unregulated 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 (an) unregulated market(s)], and the relevant instructions to such rules. [Moreover, the Market Maker undertakes to apply, in normal market conditions, a spread between bid and offer quotes not higher than [Insert percentage]%.]</p>
C.15	Effect of the underlying on the value of the securities	<p>The Securities reflect the performance of the Underlying (as defined in C.20) and allow the Security Holder to participate in both the positive and negative performance of the Underlying during the term of the Securities. Generally, if the price of the Underlying rises, the price of the Security regularly rises. If the price of the Underlying falls, the price of the Securities regularly falls.</p> <p><i>Redemption</i></p> <p>The redemption of the Securities upon Security Holders' exercise of the Redemption Right or the redemption of the Securities upon Issuer's exercise of its Regular Call Right will take place at the Relevant Reference Price (as defined in C.19).</p> <p><u>[In the case of Open End Securities, the following applies:</u></p> <p>The Redemption Amount will be an amount in the Specified Currency which equals the Relevant Reference Price multiplied by [the Participation Factor Current (as defined in the Final Terms) and] the Ratio (as defined in the Final Terms).</p> <p>[The Relevant Reference Price [multiplied with the Participation Factor</p>

		<p>Current] will be reduced by [a Management Fee][,] [and/or] [a Short Selling Fee][,] [and/or] [an Index Calculation Fee] [and/or] [a Gap Risk Fee] ([each] as specified in the Final Terms).]</p> <p>The Redemption Amount may in no case be lower than zero.]</p> <p><i>[In the case of Open End Quanto Securities, the following applies:</i></p> <p>The Security Holders will not face any foreign exchange risk (Quanto).</p> <p>The Redemption Amount will be an amount in the Specified Currency which equals the Relevant Reference Price multiplied by [the Participation Factor Current (as defined in the Final Terms) and] the Ratio (as defined in the Final Terms).</p> <p>The Relevant Reference Price [multiplied by the Participation Factor Current (as defined in the Final Terms)] will be reduced by a Quanto Fee[,] [and/or] [a Management Fee][,] [and/or] [a Short Selling Fee][,] [and/or] [an Index Calculation Fee] [and/or] [a Gap Risk Fee] ([each] as specified in the Final Terms).]</p> <p>The Redemption Amount may in no case be lower than zero.]</p> <p><i>[In the case of Open End Compo Securities, the following applies:</i></p> <p>The Security Holders will face foreign exchange risk (Compo).</p> <p>The Redemption Amount will be an amount in the Specified Currency which equals the Relevant Reference Price multiplied by [the Participation Factor Current (as defined in the Final Terms) and] the Ratio (as defined in the Final Terms) by applying the relevant FX Exchange Rate (as specified in the Final Terms) for the conversion of the [Underlying Currency into the Specified Currency] [Specified Currency into the Underlying Currency].</p> <p>[The Relevant Reference Price [multiplied with the Participation Factor Current] will be reduced by [a Management Fee][,] [and/or] [a Short Selling Fee][,] [and/or] [an Index Calculation Fee] [and/or] [a Gap Risk Fee] ([each] as specified in the Final Terms).</p> <p>The Redemption Amount may in no case be lower than zero.]</p> <p><i>[In the case of Securities linked to an index as Underlying, for which “Distributing Index” is specified in the column “Index Type” of the relevant table in § 2 of Part B – Product and Underlying Data, the following applies:</i></p> <p>Dividend Amount</p> <p>The payment of the Dividend Amount at each Dividend Amount Payment Date depends on the Dividend Value (as defined in the Final Terms) of the Underlying. The "Dividend Amount" equals the Dividend Value of the Underlying for a certain Dividend Period (as defined in the Final Terms) multiplied by the Ratio.]</p>
C.16	The expiration or maturity date of the derivative securities – the	<p>"Valuation Date" means the [fifth]¹ [sixth]² Banking Day prior to each Redemption Date and each Call Date.</p> <p>"Call Date" means the last Banking Day of the month of [Insert month(s)] of each year, starting on [Insert First Call Date].</p> <p>"Redemption Date" means the last Banking Day of the month of [Insert</p>

¹ In the case of Open End Securities and Open End Quanto Securities.

² In the case of Open End Compo Securities.

	exercise date or final reference date	<i>month(s)</i> of each year, starting on [<i>Insert First Redemption Date</i>].
C.17	Settlement procedure of the securities	All payments shall be made to [<i>Insert</i>] (the " Principal Paying Agent "). The Principal Paying Agent shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such payment. " Clearing System " means [<i>Insert</i>].
C.18	Description of how any return on derivative securities takes place	Payment of the Redemption Amount at the Redemption Date in relation to which a Security Holder exercises its Redemption Right or at the Call Date in relation to which the Issuer exercises its Regular Call Right, as the case may be.
C.19	Exercise price or final reference price of the underlying	" Relevant Reference Price " means the Reference Price (as specified in the table attached to this summary) on the respective Valuation Date.
C.20	Type of the underlying and description where information on the underlying can be found	The [<i>index</i>] [<i>commodity</i>] [<i>commodity future</i>] which forms the Underlying is specified in the table attached to this summary. For further information about the past and the future performance of the Underlying and its volatility, please refer to the Website (or any successor website), as specified in the table attached to this summary. <u>[In the case of Securities linked to a futures contract as Underlying, the following applies:</u> Prior to the expiration of the Underlying it will be "rolled" into the futures contract, traded on the Reference Market (as defined in the Final Terms), with the immediately following delivery month (the " Roll Over ").]

D. RISKS

D.2	Key information on the key risks that are specific to the Issuer	<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> <ul style="list-style-type: none"> • Credit Risk <ul style="list-style-type: none"> (i) Risks connected to an economic slowdown and volatility of the financial markets; (ii) Deteriorating asset valuations resulting from poor market conditions may adversely affect HVB Group's future earnings; (iii) The economic conditions of the geographic markets in which HVB Group operates have had, and may continue to have, adverse effects on HVB Group's results of operations, business and financial condition; (iv) Non-traditional banking activities expose HVB Group to additional credit risks; (v) Changes in the German and European regulatory framework could adversely affect HVB Group's business; (vi) Loan losses may exceed
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		<p>anticipated levels; (vii) Systemic risk could adversely affect HVB Group's business.</p> <ul style="list-style-type: none"> • Market Risk <p>(i) Difficult market situations can add to volatility in HVB Group's income; (ii) HVB Group's income can be volatile related to trading activities and fluctuations in interest and exchange rates.</p> • Liquidity Risk <p>(i) Risks concerning liquidity which could affect HVB Group's ability to meet its financial obligations as they fall due; (ii) HVB Group's results of operations, business and financial condition have been and could continue to be affected by adverse macroeconomic and market conditions; (iii) HVB Group has significant exposure to weaker euro-zone countries.</p> • Operational Risk <p>(i) HVB Group's risk management strategies and techniques may leave HVB Group exposed to unidentified or unanticipated risks; (ii) IT risks; (iii) Risks arising from fraud in trading; (iv) Risks in connection with legal proceedings; (v) HVB Group is involved in pending tax proceedings.</p> • Strategic Risk <p>(i) Risk arising from the overall economic environment; (ii) The European sovereign debt crisis has adversely affected, and may continue to, adversely affect HVB Group's results of operations, business and financial condition; (iii) Risks from the strategic orientation of HVB Group's business model; (iv) Risks from the consolidation of the banking market; (v) Risks arising from changing competitive conditions in the German financial sector; (vi) The regulatory environment for HVB Group may change; non-compliance with regulatory requirements may result in enforcement measures; (vii) Risks from the introduction of new charges and taxes to stabilize the financial markets and involve banks in the sharing of costs for the financial crisis; (viii) The exercise of stress tests could adversely affect the business of HVB Group; (ix) HVB Group may be exposed to specific risks arising from the so-called Single Supervisory Mechanism (SSM) and other initiatives to create the so-called EU Banking Union; (x) Risks in relation to prohibition/separation of certain activities from other banking business; (xi) Risks arising from a change in HVB's rating</p> • Reputational Risk <p>Adverse reactions by stakeholders due to a change of perception of the bank may have a negative impact on HVB Group's results of operations, business and financial position.</p> • Business Risk <p>Unexpected negative changes in the business volume and/or the margins (e.g., as a result of the ongoing sovereign debt crisis) can lead to serious losses in earnings, thereby diminishing the market value of a company.</p> • Real estate Risk <p>Changes in the market value of the real estate portfolio of HVB Group may have an adverse impact on its financial position and results of operations.</p> • Financial investment risk
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		<p>Fluctuations in market prices of HVB Group's portfolio of listed and unlisted shareholdings, financial investments and corresponding fund shares could lead to losses.</p> <ul style="list-style-type: none"> • Pension risk <p>HVB Group has undertaken to provide pension plans to its current and former employees. Pension risks exist in connection with such pension plans which may require a provision of additional capital to service the vested pension commitments.</p> <ul style="list-style-type: none"> • Risks arising from outsourcing activities <p>Failures in the risk assessment process or in defining risk reducing measures in relation to an outsourcing of activities and processes to external service providers could lead to a negative impact on HVB Group's results of operations, business and financial position.</p>
D.6	Key information on the key risks that are specific to the securities	<ul style="list-style-type: none"> • Potential conflicts of interest <p>Conflict of interest risk is related to the possibility that certain functions of the Issuer, distributors or agents or events with respect to the Underlying-linked Securities may be adverse to the interests of the Security Holders.</p> <ul style="list-style-type: none"> • Risks related to the market <p>(i) Risk that no active trading market for the Securities exists; (ii) Risks related to the offering volume; (iii) Risks related to the market value of the Securities; (iv) Risks related to the expansion of the spread between bid and offer prices; (v) Currency risk with respect to the Securities; (vi) Risk related to hedging transactions.</p> <ul style="list-style-type: none"> • Risks related to the Securities in general <p>(i) Risks related to the suitability of the Securities; (ii) Credit risk of the Issuer; (iii) Possible limitations of the legality of purchase; (iv) Termination by the Issuer; (v) Risks arising from financial market turmoils, the German Bank Restructuring Act and other governmental or regulatory interventions; (vi) Risks related to the introduction of a future recovery and resolution regime for credit institutions; (vii) Risks due to the lack of own independent review and advice of the investor; (viii) Risks in connection with a later determination of features; (ix) Risks arising from debt financing the purchase of the Securities; (x) Risks arising from transaction costs; (xi) Risks with regard to determinations by the Calculation Agent; (xii) Inflation risk; (xiii) Risks in connection with a purchase of Securities for hedging purposes; (xiv) Risks related to Taxation.</p> <ul style="list-style-type: none"> • Risks related to Underlying-linked Securities <p>(i) Risks arising from the influence of the Underlying on the market value of the Securities; (ii) Risks due to open-end structure; (iii) Risks arising from the fact that the valuation of the Underlying occurs only at a specified date or time; (iv) Currency risk with respect to the Underlying; (v) Risks in relation to adjustment events; (vi) Risk of Market Disruptions; (vii) Risk of regulatory consequences to investors when investing in Underlying-linked Securities; (viii) Risks arising from negative effects of hedging arrangements by the Issuer on the Securities; (ix) Risks arising from the Issuer's extraordinary call right; (x) Risks arising from an Issuer's Regular Call Right; (xi) Risks arising from the Redemption Right of the Security Holders;</p>

		<p>(xii) Risks in relation to a Participation Factor; (xiii) Risks in relation to a ratio.</p> <ul style="list-style-type: none"> • Risks related to the Underlying <p>- General risks</p> <p>(i) Risks arising from the volatility of the price of the Underlying and risk due to a short history; (ii) No rights of ownership of the Underlying or its constituents; (iii) Risks associated with Underlyings subject to emerging market jurisdictions.</p> <ul style="list-style-type: none"> • [- Risks related to indices as Underlying <p>(i) Similar risks to a direct investment in index constituents; (ii) No influence of the Issuer on the index; (iii) Risks arising from special conflicts of interests in relation to indices as Underlying; (iv) Risks in relation to strategy indices as Underlying; (v) Risks in relation to price indices as Underlying; (vi) Risks in relation to net return indices as Underlying; (vii) Risks in relation to short indices as Underlying; (viii) Risks in relation to leverage indices as Underlying; (ix) Risks in relation to distributing indices as Underlying; (x) Risks in relation to excess return indices as Underlying; (xi) Risks in relation to country or sector related indices; (xii) Currency exchange risk contained in the index; (xiii) Adverse effect of fees on the index level; (xiv) Risks with respect to the publication of the index composition which is not constantly updated; (xv) Risks of unrecognized or new indices.]</p> <ul style="list-style-type: none"> • [-Risks related to commodities as Underlying <p>(i) Similar risks as a direct investment in commodities; (ii) Higher risks than other asset classes; (iii) Risks arising from price influencing factors; (iv) Risks arising from the trading in various time zones and on different markets.]</p> <ul style="list-style-type: none"> • [-Risks related to futures contracts <p>(i) Risks related to futures contracts as standardised transactions; (ii) Risk of futures contracts with different delivery dates; (iii) No parallel development of spot price and futures price; (iv) Risks relating to a Roll-Over.]</p> <p>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.
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 offer: <i>[Insert]</i> [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]</p> <p>[A public offer will be made in [France][,] [and] [Italy] [and]</p>

		<p>[Luxembourg].]</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 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 <i>[Insert expected date]</i> on the following markets: <i>[Insert relevant market(s)]</i>.]</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 <i>[Insert relevant regulated or (an) unregulated market(s)]</i>; [moreover] [[T][t]he <i>[Insert relevant regulated or (an) unregulated market(s)]</i> is organized and managed by <i>[Insert name]</i>, 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>
E.7	Estimated expenses charged to the investor by the Issuer or the distributor	<p>[Selling Concession: <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.]</p>

ANNEX TO THE SUMMARY

[WKN] [ISIN] (C.1)	Underlying (C.20)	Reference Price (C.19)	Website (C.20)
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[Insert]	[Insert name of Underlying and, if applicable, ISIN]	[Insert]	[Insert]
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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 immaterial 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 they may sustain a **total loss** of their investment (e.g. in the case of a substantially unfavorable performance of the Underlying or of an insolvency of the Issuer).*

*The relevant final terms of the Securities (the "**Final Terms**") do not replace a consultation with a potential investor's house bank or financial adviser which will be indispensable in any case. Potential investors should review these Risk Factors carefully before deciding to purchase Securities.*

*Potential investors should consider all information provided in (a) this Base Prospectus and in any supplements thereto, (b) the registration document of UniCredit Bank AG dated 25 April 2014 (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 of such investments. 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 influence of such risk factor on the value of the Securities.*

"Security Holder" means the holder of a Security.

A. Risks related to the Issuer

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 below stated functions of the Issuer, the financial institution or the financial intermediary with whom the Issuer has entered into a distribution agreement (the "**Distributor**") (as defined below under "Potential conflicts related to other functions of the Issuer - calculation agent or paying agent") or any of their affiliates as well as the below mentioned transactions may have a negative impact on the market value of and/or the amounts payable under the Securities, which may be adverse to the interests of the Security Holders.

Potential conflicts related to the Issue Price

The Securities will be sold 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, 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 related to market maker activities

The Issuer and any of its affiliates may, but are not obliged to, act as a market maker for the Securities. "**Market Making**" means the Issuer and any of its affiliates continuously quotes bid and offer prices at which the Issuer or any of its affiliates are prepared to trade the Securities in a certain volume. The prices may substantially deviate from the mathematical (intrinsic) value of the Securities. Market Making, carried out especially by the Issuer and any of its affiliates, may substantially influence the liquidity and/or the value of the Securities. The prices quoted by a market maker usually do not correspond to the prices which would have been formed without Market Making and in a liquid market.

Potential conflicts related to Distributors and inducements

Distributors may subscribe the Securities at a price equivalent to or below the Issue Price. A periodic fee may be payable to the Distributors in respect of the Securities until maturity. The rate of the fee will be determined by the Issuer as well as the relevant Distributor and may vary. The Distributors agree to comply with the selling restrictions stated in the Base Prospectus. Distributors act independently and not as agents of the Issuer.

In particular, the Issuer may pay placement- and/or management fees in terms of sales-related commissions to the relevant Distributor. Placement fees are one-off payments. Alternatively, the Issuer can grant an appropriate discount on the Issue Price (without subscription surcharge). Payment of management fees is recurring and dependant on the volume of Securities issued.

Potential conflicts related to other functions of the Issuer - 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 payable under the Securities and make adjustments or other determinations, as described in the Final Terms, by i.e. exercising reasonable discretion (Section 315 German Civil Code, *Bürgerliches Gesetzbuch*, "**BGB**"). The aforementioned calculations, adjustments and determinations may influence the value of, and/or the amounts payable under the Securities and therefore could cause conflicts of interest between the relevant entity on the one hand and the Security Holders on the other hand since, even if acting within its reasonable discretion, such calculations, adjustments and determinations could be disadvantageous for a Security Holder.

2. Potential conflicts of interest with respect to Underlying-linked Securities

Potential conflicts related to transactions in respect of the Underlying

The Issuer or any of its affiliates may occasionally participate in transactions involving securities, fund shares, future contracts, commodities, indices or derivatives for their own account or for the account of their customers which may affect the liquidity or value of the Underlying (as defined below under "D. Risks related to the Underlying") and the Securities and which may be adverse to the interests of the Security Holders.

Potential conflicts related to the issuance of other securities

The Issuer and any of its affiliates may issue securities with respect to the Underlying on which securities already have been issued. An introduction of such new competing products may negatively affect the fungibility and the market value of the Securities.

Potential conflicts related to information with respect to the Underlying

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 information (also not publicly available) about the Underlying over the term of the Securities. The issuance of Securities related to such an Underlying does not create any obligation to disclose such information (whether or not confidential) to the Security Holders.

Potential conflicts related to business activities with the issuers of Underlyings

The Issuer, any Distributor or any of their affiliates may deal with issuers of the Underlying, any of their affiliates, competitors or any guarantor and engage in any kind of commercial or investment banking or other business activities, as if the Securities issued under the Base Prospectus would not exist. Any such action may have a negative impact on the Underlying and the Securities accordingly and could be contrary to the interests of the Security Holders.

Potential conflicts related to other functions of the Issuer – member of a syndicate of banks etc.

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 a bank of the sponsor of the Underlying or of the issuer of the Underlying. The aforementioned functions may influence the amounts payable and therefore could lead to conflicts of interest between the Issuer and any of its affiliates with the Security Holders.

C. Risks related to the Securities

1. Risks related to the market

Risk that no active trading market for the Securities exists

The Securities will be newly issued securities, which may not be widely distributed and for which no active trading market may exist and may develop.

Generally, there is no assurance regarding the development or liquidity of a trading market for a particular tranche of Securities. Although applications could be made for the Securities to be admitted to the regulated market of any stock exchange or to any market or trading system within the European Economic Area, there is no assurance that such applications will be accepted, that a particular tranche of Securities will be admitted or that an active trading market will develop. 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 maturity. If the Securities are not traded on any stock exchange or any other market or trading system, pricing information for the Securities may be more difficult to obtain which may have a negative effect on the liquidity and the market prices 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 or private agreement. Any Securities purchased in this way by the Issuer may be held, resold or cancelled.

If the Issuer acts as the only market maker for the Securities, the secondary market may become substantially limited. If there is no market maker, the secondary market may become even more limited. The more limited the secondary market is, the more difficult it may be for Security Holders to realise the value of the Securities prior to the settlement of the Securities. Therefore, a certain risk does exist that Security Holders have to hold the Securities until the Securities are called, redeemed or terminated.

Risks related to the offering volume

The issue volume described in the Final Terms only constitutes the volume of the Securities offered for sale. This amount does not allow any conclusion on the volume of the actually issued Securities

and thus on the liquidity of a potential secondary market associated with the same risks as stated above.

Risks related to the market value of the Securities

Prior to the settlement of the Securities, the Security Holders may only be able to realise a revenue through a sale of the Securities in the secondary market. The price at which a Security Holder may be able to sell its Securities may be substantially lower than the purchase price. The Issuer assumes no guarantee that the Securities may be sold at a certain price or that the spread between bid and offer prices will remain constant or within a certain range. Selling the Securities at a certain point of time at which the market value of the Securities is below the paid purchase price will result in the Security Holder suffering a loss.

The market value (or the market price) of the Securities will be affected by the creditworthiness of the Issuer and by a number of further factors such as the relevant prevailing interest and yield rates, the market for similar securities, the general economic conditions, the variations in the intensity of the fluctuation of values (volatility) of Underlyings, the interference (correlation) between various Underlyings, the fungibility or, as the case may be, the remaining term of the Securities. If the Securities are traded after their initial issuance, these factors may lead to a market value of the Securities being substantially below their Issue Price.

Risks related to the expansion of the spread between bid and offer prices

During extreme 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 hedging transactions, or when such transactions are very difficult to conclude, the spread between the bid and offer prices which will be quoted by it may be expanded in order to limit its economic risk. As a consequence, Security Holders who sell their Securities on an exchange or directly among market participants via so-called over-the-counter dealings (off-exchange) may only be able to do so at a price that is substantially lower than the mathematical (intrinsic) value of the Securities at the time of the sale and will therefore suffer a loss.

Currency risk with respect to the Securities

The Securities may be denominated in a currency other than the currency of the jurisdiction where the investor is domiciled or where the investor seeks to receive funds. Exchange rates between currencies (the "**Currency Exchange Rates**") are determined by factors of supply and demand in the international currency markets, which are affected by macro-economic factors, speculations and intervention by the central banks and governments (including the imposition of currency controls and restrictions). Fluctuations in Currency Exchange Rates may have a negative impact on the value of the Securities and may result in a loss for the Security Holders. There may be other factors which are almost impossible to predict, such as psychological factors (e.g. a crisis of confidence in the political regime of a country), which also may have a material impact on the value of the relevant currency. Various different sources may be used as references for Currency Exchange Rates. If irregularities or manipulations occur in connection with the exchange rate determination of such sources, this could have material adverse effects on the Securities.

Risk related to hedging transactions

Security Holders may not be able to make transactions to preclude or limit risks arising from an investment in the Securities. Their ability to do so will depend on, *inter alia*, the relevant prevailing market conditions. In some cases investors may have to carry out such transactions only at a market price that is disadvantageous to them, so that a significant loss may occur.

2. Risks related to the Securities in general

Risks related to the suitability of the Securities

An investment in the Securities requires detailed knowledge of the features of the relevant Security. Investors should have experience with investing in structured securities which are referenced to Underlyings 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 of an investment in derivative notes;
- have the ability to evaluate the merits and risks in the context of their financial situation on the basis of appropriate analytical tools or, in case of lack of knowledge, have the possibility to take respective professional advice;
- are able to bear the economic risk of an investment in derivative notes for an indefinite period, and
- are aware that it may, during a substantial period of time or even at all, not be possible to sell the securities.

Due to the dependence on the respective Underlyings, an investment in the Securities is associated with substantial risks which do not exist in the case of an investment in fixed or floating interest bearing traditional notes with a claim for redemption of the nominal amount.

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 its 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. The worse the creditworthiness of the Issuer is the higher is the risk of a loss. Such risk is not protected by 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.

Possible limitations of the legality of purchase

The purchase, holding and/or disposal of the Securities may from time to time be subject to restrictions which may have a negative effect on the fungibility and transferability and the value of the Securities. Neither the Issuer nor any Distributor or any of their affiliates have assumed or assume responsibility towards any potential investor for the legality of the acquisition of the Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for the compliance by a potential investor with any law, regulation or regulatory policy applicable to it.

Termination by the Issuer

The Terms and Conditions for any particular issue of Securities may provide for an Issuer termination right. Upon any such termination, negative deviations from the expected return may occur and the amount paid on the Securities may be lower than a (minimum) redemption amount as set out in the Final Terms (if any) or than the purchase price paid for the Securities by the investor, such that the investor will in such case not in full or not at all receive the invested capital. Furthermore, the Security Holder has to bear a reinvestment risk, e.g. that he will only be able to re-invest the amount received upon a regular call at less favourable market conditions than those prevailing at the time of the

purchase of the Securities, or that, e.g. he will not be able to make an investment which has a comparable return or a comparable risk profile as the terminated Securities.

Risks arising from financial market turmoils, the German Bank Restructuring Act and other governmental or regulatory interventions

Market turmoil in the international financial markets may affect inflation, interest rates, the price of securities, participation of other investors and thus almost all investments and may lead to (and in the past have led to) extensive governmental interventions. It is generally not possible to predict the structural and/or regulatory changes which may result from current and future market conditions or whether such changes may be materially adverse to the Securities and to their Underlyings, if any. However, the German legislator implemented a bank restructuring act (*Gesetz zur Restrukturierung und geordneten Abwicklung von Kreditinstituten, zur Errichtung eines Restrukturierungsfonds für Kreditinstitute und zur Verlängerung der Verjährungsfrist der aktienrechtlichen Organhaftung, Restrukturierungsgesetz*, the "**German Bank Restructuring Act**") as part of its reaction to the capital markets crisis which begun in 2007. As a German credit institution the Issuer is subject to the German Bank Restructuring Act, which has introduced a special restructuring scheme for German credit institutions on 1 January 2011. This scheme consists of: (i) the restructuring procedure (*Sanierungsverfahren*) pursuant to sections 2 et seqq. of the German Act on the Reorganisation of Credit Institutions (*Kreditinstitute-Reorganisationsgesetz*, the "**KredReorgG**"), (ii) the reorganisation procedure (*Reorganisationsverfahren*) pursuant to sections 7 et seqq. of the KredReorgG, and (iii) the transfer order (*Übertragungsanordnung*) pursuant to sections 48a et seqq. of the German Banking Act (*Kreditwesengesetz*, the "**KWG**").

Whereas 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 rights of the credit institution's creditors including a reduction of existing claims or a suspension of payments. The measures proposed in the reorganisation plan are subject to a majority vote of the creditors and shareholders of the respective credit institution. Furthermore, the KredReorgG stipulates detailed rules on the voting process and on the required majorities and to what extent negative votes may be disregarded. Measures pursuant to the KredReorgG are instituted by the respective credit institution and after approval by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, the "**BaFin**").

Is the existence of the relevant credit institution endangered (*Bestandsgefährdung*) and does this endanger the stability of the financial system (*Systemgefährdung*), BaFin may issue a transfer order pursuant to which the credit institution will be forced to transfer whole or parts of its business activities or assets to a so-called bridge bank.

Claims of Security Holders may be negatively affected by the reorganisation plan, which can be adopted by majority vote. In the context of a transfer order, the initial debtor of Securities (the Issuer) may be replaced by another debtor (which may have a fundamentally different risk assumption or creditworthiness than the Issuer). Alternatively, the claims may remain with the original debtor, but this situation regarding the debtor's assets, business activity and/or creditworthiness may not be identical to the situation prior to the transfer order.

In addition, the German legislator has introduced the Second Financial Market Stabilisation Act (*Zweites Gesetz zur Umsetzung eines Maßnahmenpakets zur Stabilisierung des Finanzmarktes*) which came into force on 1 March 2012. Pursuant to such act, inter alia, the BaFin may impose regulatory measures on a German credit institution if the financial condition of such credit institution raises doubts whether such institute can constantly comply with the capital or liquidity requirements of the KWG. Even though such regulatory measures may not directly interfere with Security Holders' rights, the fact that BaFin applies such measures towards a credit institution may have negative effects, e.g. on the pricing of Securities or on the institute's ability to refinance itself.

The Act of 7 August 2013 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*) provides that upon positions which are regarded by the legislator as being “risk inherent” having reached certain thresholds, the underlying transactions have to be transferred to a legally and financially independent financial trading institution (separation of banking activities). Furthermore, BaFin 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 original debtor of the Securities may be replaced by another debtor. Alternatively, the claims may continue to be towards the original debtor while 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.

Risks related to the introduction of a future recovery and resolution regime for credit institutions

The Council of the European Union has on 6 May 2014 passed the Directive establishing a framework for the recovery and resolution of credit institutions and investment firms (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 and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council the "**Bank Recovery and Resolution Directive**") which has already been published in the Official Journal of the European Union. Pursuant to the Bank Recovery and Resolution Directive, the authorities which will be in charge of the resolution will be furnished with instruments by means of which they will be in a position to resolve credit institutions and investment firms which in the opinion of the competent authorities threaten to fail and where the failure may not be prevented by alternative measures in the same efficient manner and where the relevant measure is of public interest. The resolution tools under the Bank Recovery and Resolution Directive include, among others, a "bail-in" instrument enabling the authorities in charge of the resolution to write down unsecured (debt) claims and to convert debt which can be subject to a write-down into shares or other equity. The provisions of the Bank Recovery and Resolution Directive will have to be implemented into German law before being directly applicable to the Issuer. Any such implementation may also occur through an amendment of the German Insolvency Code (*Insolvenzordnung*). For the adoption, an implementation period until 31 December 2014 has been granted to the respective member states. The respective national provisions regarding the “bail-in” instrument shall enter into force on 1 January 2016 at the latest. Currently it is not yet possible to provide a comprehensive assessment of the Bank Recovery and Resolution Directive or any German implementing legal measures.

The provisions of the Bank Recovery and Resolution Directive or any similar provisions and/or its implementation into German law may have a substantial effect on the rights of the Security Holders and may result in a resolution of the Issuer and a loss of the entire investment.

Building on the Bank Recovery and Resolution Directive, the Regulation (EU) No 806/2014 of the European Parliament and the Council of 15 July 2014 will establish uniform rules and a uniform mechanism for the resolution of failing credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 in relation to the creation of a so-called banking union. The regulation, whose provisions shall be effective mainly as of 1 January 2016, without requiring an implementation into national law, provides certain resolution tools (e.g., a reduction of liabilities or its transformation into equity, a transfer of claims and/or liabilities of the affected institution or even a resolution of the affected institution), which may have a substantial effect on the rights of the Security Holders and may have a material adverse effect on the enforcement of the Security Holders’ claims.

Risks due to the lack of own independent review and advice of the investor

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 (or if the investor is acquiring the Securities in a fiduciary capacity, the trustee) financial needs, objectives and restrictions, and whether it is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Securities as principal or in a fiduciary capacity) and if it is a fit, proper and suitable investment for the investor (or if the investor is acquiring the Securities in a fiduciary capacity, for the trustee), notwithstanding the substantial risks inherent in investing in or holding the Securities. Otherwise, there is the risk of an unfavourable or unsuitable investment by such investor.

Risks in connection with a later determination of features

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

Risks arising from debt financing the purchase of the Securities

If a potential investor decides to finance the purchase of the Securities with funds borrowed from a third party, the investor should make sure in advance that he can still pay the interest and principal payments on the loan also in the event of a loss. In the case of a deferral or default of payments in relation to the Securities or of a decrease of the secondary market value of the Securities, the investor does not only have to bear the occurred loss, but also pay interest and repay the loan which has been taken up. The investor should not rely on gains or profits from the investment in the Securities in order to repay interest and principal of the loan when due and payable. In that case, 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 arising from transaction costs

In connection with the purchase, holding and disposal of the Securities, several types of incidental costs (including transaction fees and commissions) are incurred beside the purchase or sale price of the Securities. These incidental costs may significantly reduce or even eliminate any profit from holding the Securities.

Generally, 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, Security Holders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third-party costs). In addition to such costs directly related to the purchase of the Securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees). Additional costs may occur if other foreign or domestic entities are involved in the custody or the execution of an order. Before investing in the Securities, potential investors should inform themselves about any additional costs incurred in connection with the purchase, holding or sale of the Securities.

Risks with regard to determinations by the Calculation Agent

Pursuant to the Terms and Conditions, the Calculation Agent may in its discretion determine whether certain events have occurred and make any adjustments and calculations resulting therefrom (if any), as described in the Final Terms. The Calculation Agent will make any such determination in its

reasonable discretion in a commercially reasonable manner. Such determination may have an adverse effect on the value of the Securities and/or may delay the payments.

Inflation risk

Through the purchase of the Securities, the Security Holder is also exposed to an inflation risk. The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a Security. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

Risks in connection with a purchase of Securities for hedging purposes

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

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

Risks related to Taxation

The return on the Securities may be reduced through the tax impact on an investment in the Securities. Potential purchasers and sellers of Securities should be aware that they may be required to pay taxes or other charges or duties in accordance with the laws and practices of the country where the Securities are transferred to or held or other jurisdictions. 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 U.S. withholding tax, e.g., pursuant to the U.S. Foreign Account Tax Compliance Act (FATCA). Should, as a consequence of a non-compliance with certain certification, information reporting requirements with respect to its U.S. 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.

3. Risks related to Underlying-linked Securities

Generally, an investment in Securities where the principal is determined by reference to an Underlying (the "**Underlying linked-Securities**"), may entail significant risks not associated with comparable investments in conventional debt securities. The value of an Underlying-linked Security is dependent on the price of the Underlying and therefore bears risks associated with the Underlying beside risks associated with the Security itself.

On the one hand the probability of a **total loss of the invested capital** (e.g. in the case of a substantially unfavorable performance of the Underlying or of an insolvency of the Issuer) may be substantially higher than in a direct investment in the Underlying. This probability depends on how the amounts payable under the Securities are linked to the development of the Underlying.

On the other hand, such risks include **that the Security Holder could fully or substantially lose the capital invested**. To be able to bear potential losses, the capital invested for the purchasing of the Securities should be taken from excess own funds.

Risks arising from the influence of the Underlying on the market value of the Securities

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

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

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

Risks due to open-end structure

The Securities are issued without a fixed maturity. Instead, they will be valid for an indefinite period of time until the call right of the Issuer or the exercise right of the Security Holder is exercised. The Security Holders have no right that the Securities be redeemed until the aforementioned rights are exercised.

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

The amounts payable under the Securities may be calculated by reference to a valuation of the Underlying on a valuation date as specified in the Final Terms and may not consider the performance of the Underlying prior to such valuation date. Even if the Underlying performed positively up to the period prior to the valuation date and if the value of the Underlying only decreased on such a valuation date, the calculation of the amounts payable under the Securities only grounds on the value of the Underlying on the relevant valuation date. Especially for Underlyings showing a high volatility this may lead to amounts payable being significantly lower than the value of the Underlying than the valuation date has suggested. The positive performance of one or more components of the Underlying may be outweighed/eliminated by a negative performance of other components.

Currency risk with respect to the Underlying

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

Risks in relation to adjustment events

In the case of the occurrence of an adjustment event as specified in the Final Terms, the calculation agent, as specified in the Final Terms, is entitled to carry out adjustments according to the Final Terms

in its reasonable discretion. Although these adjustments intend to retain 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 economic impact. In fact, this adjustment may also have a negative impact on the value or the future performance of the Securities.

Risk of Market Disruptions

If the Final Terms include provisions dealing with the occurrence of market disruptions and the calculation agent determines that a market disruption has occurred or currently exists, any consequential postponement of, or any alternative provisions for, valuation provided in such Security may have an adverse effect on its value and the point of time where a payment takes place.

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

There may be negative regulatory and other consequences associated with the ownership by certain investors of certain Securities. It cannot be ruled out that inter alia the specific investor is not entitled to invest in the Securities due to supervisory regulations or that the investment is attached to special reporting or notification requirements (e.g. with respect to certain funds). Additionally, the purchase or holding of Securities may be excluded or unsuitable under civil law agreements (i.e. if eligibility as trustee stock (*Mündelsicherheit*) is required). Each purchaser of the Securities must conduct its own investigation regarding its regulatory position in connection with the potential purchase of the Securities. The Issuer does not assume any obligation or liability whatsoever towards such a purchaser.

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

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

Risks arising from the Issuer's extraordinary call right

The Issuer has the right to call the Securities at their market value extraordinarily upon the occurrence of a termination right. A termination right is given if certain adjustments in accordance with the Special Conditions are impossible or not reasonable for the Issuer and/or the Security Holders. If the market value of the Securities at the time of the extraordinary call is lower than the purchase price of the Securities, the respective Security Holder **will suffer a partial or total loss of its invested capital**. Furthermore, the Security Holder bears the risk that the expectations for an increase of the market value of the Securities will no longer be met because of such extraordinary termination.

Risks arising from an Issuer's Regular Call Right

Securities that contain a regular call right of the Issuer (the "**Regular Call Right**") may be redeemed by the Issuer on certain call dates (the "**Call Dates**") as specified in the Final Terms, by giving notice to the Security Holders. The Security Holder bears the risk that his expectations on an increase in the market value of the Securities will not be met due to the regular call. At the time of the exercise of the Regular Call Right, the price of the Underlying may be substantially lower than its price at the time of the purchase of the Securities by a Security Holder. From the time of the exercise of the Regular Call Right the remaining term of the Securities is limited until the respective Call Date. In this case, the

Security Holders may not be able to hold the Securities until the price of the Underlying has recovered and thus **may suffer a partial or total loss of their invested capital**. As of the respective Call Date of the Securities, the Security Holders no longer have a possibility to participate in any further performance of the Underlying.

Risks arising from the Redemption Right of the Security Holders

Security Holders may demand redemption of the Securities (the "**Redemption Right**") on certain redemption dates (the "**Redemption Dates**") as specified in the Final Terms by transmission of a duly filled redemption notice (as described in the Final Terms). At the time of the exercise of the Redemption Right, the price of the Underlying may be substantially lower than its price at the time of the purchase of the Securities by a Security Holder. From the time of the exercise of the Redemption Right the remaining term of the Securities is limited to the respective Redemption Date. In this case the Security Holders may not be able to hold the Securities until the price of the Underlying has recovered and thus **may suffer a partial or total loss of their invested capital**. As of the respective Redemption Date of the Securities, the Security Holders no longer have a possibility to participate in any further performance of the Underlying.

Furthermore, there may be a certain time lag between the time of the exercise of the Redemption Right and the next respective valuation date. During the period of the exercise of the Redemption Right and the respective valuation date, the price of the Underlying may decline with the consequence that the amount payable under the Securities at the Redemption Date with respect to such valuation date will be substantially lower than the amount expected to be paid by the Security Holder at the time of the exercise. In the case of a Market Disruption on the respective valuation date, a respective time lag could even last considerably longer.

Risks in relation to a Participation Factor

The application of a participation factor (the "**Participation Factor**") within the calculation of amounts payable, as specified in the Final Terms, may result in the Securities being in economic terms similar to a direct investment in the relevant Underlying, but being nonetheless not fully comparable with such a direct investment, in particular because the Security Holder does not participate in the relevant performance by a 1:1 ratio, but rather in a ratio representing the Participation Factor as stated in the Final Terms. As a consequence, such a Security Holder participates more or less from the relevant performance of the relevant Underlying equivalent to the Participation Factor as stated in the Final Terms. In this case, the Security Holder bears an increased risk of loss of the invested capital in comparison to a direct investment in the Underlying.

Risks in relation to a Ratio

The application of a ratio within the calculation of amounts payable, as specified in the Final Terms, may result in the Security being in economic terms similar to a direct investment in the relevant Underlying, but being nonetheless not fully comparable with such a direct investment, in particular because the Security Holder does not participate in the relevant performance by a 1:1 ratio, but by the proportion of the ratio (e.g. 1:10 or 1:100).

D. Risks related to the Underlying

The Underlying may be an index, a commodity or a futures contract (each an "Underlying"). These Underlyings are subject to particular risks. Any full or partial realisation of the following risks may have a negative impact on the price of the Underlying and, hence, on the market value of the Securities and/or the amounts payable thereunder (if any). The Security Holders have no rights in or recourse against the Underlying. Furthermore, transactions made by the Issuer to hedge its obligations under the Securities may have a negative impact on the price of the Underlying and, hence, on the market value of the Securities and/or the amounts payable thereunder (if any).

1. General risks

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

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

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

No rights of ownership of the Underlying or its constituents

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

Risks associated with Underlyings subject to emerging market jurisdictions

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

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

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

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

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

2. Risks related to indices as Underlying

Similar risks to a direct investment in index constituents

The performance of the market value of Securities with indices as Underlying depends primarily on the performance of the index. The performance of an index depends on the performance of the constituents of the index (the "**Index Constituents**"). Changes in the performance or the price of the constituents of the index may have an effect on the index and, likewise, changes to the composition of the index or other factors may also have. Accordingly, an investment in a Security with indices as Underlying may bear similar risks to a direct investment in the Index Constituents.

No influence of the Issuer on the index

The method of calculation, determination and publication of the index (the "**Index Concept**") are carried out by the relevant index sponsor itself or together with other organisations, unless the Issuer or any affiliated entity also acts as index sponsor. The Issuer neither has influence on the index nor on the Index Concept. Generally, an index may at any time be altered, terminated or replaced by any successor index. This may result in adjustments to the Securities and have a negative effect on the value of the Securities or the amounts payable under the Securities or even result in a termination and early redemption of the Securities. Potential adjustments may modify the structure and/or risk profile of the Securities. Furthermore, disruptions regarding the maintenance or calculation of the index may occur which may have a negative effect on the value of the Securities and the payments to be made under the Securities.

If neither the Issuer nor any of its affiliates acts as index sponsor, Securities with indices as Underlying 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 as Underlying

If the Issuer or any of its affiliates acts itself 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 value of the index, carry out adjustments (e.g. by exercising its reasonable discretion) to the Index Concept, replace the Index Constituents and/or determine the composition and/or weighting. This conflict of interests may have a negative effect on the performance of the index, and thus on the market value of, and/or the amounts payable under the Securities.

Risks in relation to strategy indices as Underlying

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 in relation to price indices as Underlying

If the Underlying is a price index, 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 be traded with a discount after the pay-out of dividends or distributions. Thus, Security Holders generally do not participate from dividends or other distributions paid out or made on components contained in the index.

Risks in relation to net return indices as Underlying

If the Underlying is a net return index, dividends or other distributions paid out or made on the Index Components will be considered only when calculating the price of the index as net payments after deduction of an average tax rate. This tax deduction has the effect that the price of the net return index does not rise as strong as the price of a comparable total return index or performance index, for the calculation of which gross payments will be taken into account.

Risks in relation to short indices as Underlying

If the Underlying is a short index potential investors should be aware that this index develops in a reverse manner to its underlying prices. This means that the price of the short index generally rises when the prices of its underlying constituents drop and that the price of the short index drops when the prices of its underlying constituents rise.

Risks in relation to leverage indices as Underlying

If the Underlying is a leverage index potential investors should be aware that this index consists 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 Underlying falls or rises stronger than the price of the respective Reference Index. Therefore the Security Holder bears the risk of disproportionate loss of his invested capital.

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.

If the Underlying is a leverage index, Security Holders may be subject to **an increased risk of loss of the invested capital**.

Risks in relation to distributing indices as Underlying

If the Underlying is a distributing index, dividends or other distributions paid out or made on the Index Constituents will be considered in the Theoretical Cash Component (as specified in the Final Terms) when calculating the price of the index. After a Dividend Observation Date (as specified in the Final Terms) dividends or other distributions accrued between two Dividend Observation Dates are paid out to the Security Holder. Security Holders should be aware that after such a Dividend Observation Date the cash component will be reset to zero and the price of the index will be reduced accordingly.

Risks in relation to excess return indices as Underlying

If the Underlying is an excess return index, the investor invests in future contracts using a Roll Over; this means that an underlying futures contract as well as following futures contracts, if applicable, will be replaced by a futures contract, which except for its later expiration date has the same contract specifications as the formerly underlying futures contract (the "**Roll Over**"). When calculating the price of an excess return index losses due to a Roll Over may arise. The rolling in the next futures contract may lead to a negative effect on the development of the price of the index. Especially differences between spot and future prices may arise. Prices of futures contracts may substantially differ from spot-prices for commodities, to which the futures contract refers, which may also have a negative impact on the performance of the price of the index.

Risks in relation to country or sector related indices

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

Currency exchange 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 firstly 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 payable under the Securities. In such cases, Security Holders are subject of several currency risks, which may not be obvious for a Security Holder.

Adverse effect of fees on the index level

If the index composition is adjusted in accordance with the relevant Index Concept, fees may arise that are subject of the index calculation and which reduce the level of the index. This may have a negative effect on the performance of the index, on the market value of, and the amounts payable under, the Securities. 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 with respect to the publication of the index composition which is not constantly updated

Some index sponsors publish the composition of the relevant indices not entirely 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 and may last 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

If the index used is not a recognized 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 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 with an index as Underlying that is not a recognized financial 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.

3. Risks related to commodities as Underlying

Similar risks as a direct investment in commodities

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

Normally, the performance of commodities is expressed by means of futures contracts (i.e. standardised futures transactions) on these commodities. These futures contracts only have a limited term and its price is influenced by, among others, its term and by general market factors. Furthermore, the roll over mechanism will be applied to futures contracts which means that commodity futures contracts which expire before the relevant payment day in relation to the Securities will be replaced by commodity futures contracts with a later expiry date such that the performance of the underlying commodities may not be fully replicated in the performance of the Securities or the amounts payable under the Securities.

Higher risks than other asset classes

An investment in commodities is associated with higher risks than investments in other asset classes 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 bears the risk of speculation and pricing inaccuracies.

Risks arising from price influencing factors

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

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 (e.g. different futures exchanges) or directly among market participants (over the counter). This may lead to a publication of different prices for a commodity in different places. The Final Terms specify which exchange or market and which timing apply regarding the specification of the price of the relevant Underlying. The commodities may be from emerging and developing countries which are subject to very specific political and economic uncertainties. Political developments and the instability in these countries may have a negative effect on the prices of the commodities and thus also have an adverse effect on the value of the Securities. Changes to bid and offer volumes may therefore have a stronger influence of pricing and volatility.

4. Risks related to futures contracts

Risks related to futures contracts as standardised transactions

Futures contracts are standardised transactions relating to commodities (e.g. oil, gas, sugar) – so-called commodity futures.

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

Risk of futures contracts with different delivery dates

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

No parallel development of spot price and futures price

Prices of futures contracts may differ substantially from the spot prices of the underlying commodities. An investor who buys a Security linked to the price of a futures contract must be aware of the fact that the market value of the futures contract does not always develop in the same direction

or at the same rate as the spot price of the commodity. Therefore, the market value of the Security may drop substantially even if the spot price of the commodity remains stable or rises.

Risks relating to a Roll-Over

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

Transaction Fees: The provisions for a Roll-Over, as described in the Final Terms, provide a transaction fee (the "**Transaction Fee**"), which will be determined on each roll over date (as specified in the Final Terms), in the reasonable discretion of the Calculation Agent by considering the current market situation. The Transaction Fee reduces the participation in the Underlying and will increase in the period of time, and, therefore, may have a negative effect on the market value of, and the amounts payable under the Securities.

Replacement or termination: If it is impossible to replace an expiring futures contract by a futures contract with identical contract specifications -except for its term-, the Final Terms may rule the replacement through another, maybe less advantageous futures contract or the termination by the Issuer. Therefore, a Security Holder cannot rely on participating in the performance of the initial futures contract throughout the entire term of the Security.

RESPONSIBILITY STATEMENT

UniCredit Bank AG having its registered office at Kardinal-Faulhaber-Straße 1, 80333 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

The Issuer hereby consents to the use of the Base Prospectus to the extent and the conditions as set out in the Final Terms during the term of its validity pursuant to Section 9 WpPG.

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 and Luxembourg.

The Issuer's consent to the use of the Base Prospectus is given under the condition that each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer. Furthermore, in connection with the consent to the use of the Base Prospectus the 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).

DESCRIPTION OF THE ISSUER

The description of the Issuer included in the Registration Document of UniCredit Bank AG dated 25 April 2014, the audited consolidated financial statements of HVB Group as of 31 December 2012, contained in the Annual Report HVB Group 2012, the audited consolidated financial statements of HVB Group as of 31 December 2013, contained in the Annual Report HVB Group 2013, the audited unconsolidated financial statements as of 31 December 2013, contained in the Annual Report UniCredit Bank AG (HVB) 2013, and the unaudited, consolidated Financial Highlights as of 31 March 2014, contained in the base prospectus for the issuance of knock-out securities and warrants of UniCredit Bank AG dated 3 June 2014 are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 128 et seq.

GENERAL INFORMATION ON THE SECURITIES

Features of the Securities

General

The Securities will be issued as non-par value notes/certificates which are bearer debt instruments (*Inhaberschuldverschreibungen*) pursuant to Section 793 German Civil Code (*Bürgerliches Gesetzbuch, BGB*). The method of calculating the Redemption Amount of the Securities is linked to the value of the Underlying at a certain moment.

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

- Open End Securities
- Open End Quanto Securities
- Open End Compo Securities

Underlying

The Underlying of the Securities may be either an index, a commodity or a futures contract. Index may be the index described in the section "Description of indices which are composed by the Issuer or any legal entity of the same group" or another index which is not composed by the Issuer or any legal entity belonging to the same group. Further indices which are composed by the Issuer or any legal entity belonging to the same group of the Issuer may be included in the Base Prospectus as a potential Underlying of the Securities by way of a supplement pursuant to Section 16 WpPG. The Underlying is the main influencing factor on the value of the Securities.

In general, the Security Holders participate in any positive as well as in any negative performance of the Underlying during the term of the Securities. If the value of the Underlying rises, the value of the Securities regularly rises. If the value of the Underlying falls, the value of the Securities regularly falls accordingly.

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

Term

The Securities will be issued on the Issue Date, as specified in the relevant Final Terms, and do not have a fixed term. Instead they will continue indefinitely until the Security Holders exercise their Redemption Right or the Issuer exercises its Regular Call Right. Following such exercise the term of the Securities is limited.

Limitation of the rights

The Issuer may call the Securities and adjust the terms and conditions of the Securities.

Publications

The Base Prospectus, potential supplements and the respective Final Terms are available on the website as specified in the respective Final Terms or on any successor website in accordance with Section 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 for Notices as specified in the Final Terms in accordance with Section 6 of the General Conditions.

Issue Price

Securities may be issued at an issue price which will be either specified in the Final Terms, or if the issue price has not been specified at the time of creation of the Final Terms the issue price per Security will be specified and published thereafter on a website as indicated in the 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. The Issue Price 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

A selling concession or other concession 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, in each case, through financial intermediaries as agreed between the Issuer and the relevant financial intermediary. The method of distribution of each tranche will be stated in the applicable Final Terms.

Admission to Trading and Listing of the Securities

Application may be made to list and trade Securities to be issued under the Programme on the markets or trading systems as set out in the Final Terms. In such a case the Final Terms set out the earliest dates (if known) on which the Securities will be admitted to trading and all the regulated markets or equivalent markets, on which, to the knowledge of the Issuer, securities of the same class of securities are already admitted to trading. However, Securities may also be issued under the Programme without being listed on any stock exchange.

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

The following details regarding the terms and conditions of the offer will be indicated in the Final Terms: (i) the country(ies) where the offer(s) to the public takes place; (ii) the conditions for the offer of the Securities; (iii) day of the first public offer; (iv) smallest transferable and/or tradable unit; (v) possibility of an early termination of the public offer; (vi) start of the new public offer; (vii) information about the continuance of a public offer of Securities which have already been issued; (viii) information about the increase of Securities which have already been issued.

Method and time limits for delivery of the Securities

Securities issued under this Base Prospectus 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

General

The redemption of the Securities at the respective Redemption Date following the exercise of the Redemption Right by the Security Holders or at the respective Call Date following the exercise of the Regular Call Right by the Issuer depends on the Relevant Reference Price. Relevant Reference Price is the Reference Price on the Valuation Date immediately preceding the respective Redemption Date or Call Date, as the case may be.

In respect of their redemption, the Securities may be linked to an index, a commodity or a futures contract.

Interest

The Securities may be interest bearing or non-interest bearing.

Dividend Amount

Security Holders of Securities that are linked to a distributing index as Underlying will in addition receive a Dividend Amount at each Dividend Amount Payment Date. The Dividend Amount equals the Dividend Value of the Underlying for a certain Dividend Period multiplied by the Ratio.

Dividend Value and Dividend Period are specified in the respective Final Terms.

Redemption

Upon Security Holders' execution of the Redemption Right or upon Issuer's execution of its Regular Call Right the Security Holders will have the right to receive payment of the Redemption Amount on the respective Redemption Date or Call Date, as the case may be.

Open End Securities

Open End Securities are Securities where the Underlying Currency is the same as the Specified Currency.

The Redemption Amount equals the Relevant Reference Price multiplied by the Ratio and, in the case of Securities linked to a futures contract as Underlying, a Participation Factor Current.

The Relevant Reference Price, in the case of Securities linked to a futures contract as Underlying, multiplied by a Participation Factor Current, may be reduced by a Management Fee Adjustment, a Short Selling Fee Adjustment, an Index Calculation Fee Adjustment and/or a Gap Risk Fee Adjustment.

The Redemption Amount will in no case be lower than zero.

Open End Quanto Securities

Open End Quanto Securities are Securities, where the Underlying Currency is not the same as the Specified Currency and where a currency hedging element is provided.

The Redemption Amount equals the Relevant Reference Price multiplied by the Ratio and in the case of Securities linked to a futures contract as Underlying, a Participation Factor Current, and will be converted into the Specified Currency by a conversion factor of 1:1.

The Relevant Reference Price, in the case of Securities linked to a futures contract as Underlying, multiplied by a Participation Factor Current, will be reduced by a Quanto Fee Adjustment and may be further reduced by a Management Fee Adjustment, a Short Selling Fee Adjustment, an Index Calculation Fee Adjustment and/or a Gap Risk Fee Adjustment.

The Redemption Amount will in no case be lower than zero.

Ratio, Gap Risk Fee, Index Calculation Fee, Short Selling Fee, Management Fee, Quanto Fee and Participation Factor Current will be specified in the respective Final Terms.

Open End Compo Securities

Open End Compo Securities are Securities, where the Underlying Currency is not the same as the Specified Currency and no currency hedging element is provided.

The Redemption Amount equals the Relevant Reference Price multiplied by the Ratio in the case of Securities linked to a futures contract as Underlying, a Participation Factor Current and multiplied by an or, respectively divided by an Exchange Rate for the conversion of the Underlying Currency into the Specified Currency or, respectively, the Specified Currency into the Underlying Currency.

The Relevant Reference Price, in the case of Securities linked to a futures contract as Underlying, multiplied by a Participation Factor Current, may be reduced by a Management Fee Adjustment, a Short Selling Fee Adjustment, an Index Calculation Fee Adjustment and/or a Gap Risk Fee Adjustment.

The Redemption Amount will in no case be lower than zero.

Ratio, Gap Risk Fee, Index Calculation Fee, Short Selling Fee, Management Fee and Participation Factor Current will be specified in the respective Final Terms.

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.

For each Tranche of Securities a separate document will be published, the so-called final terms (the "**Final Terms**"). The Final Terms will contain:

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

reflecting the Terms and Conditions of the Securities.

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

Structure of the Conditions

Part A – General Conditions of the Securities

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

Part B – Product and Underlying Data

Part C – Special Conditions of the Securities

[Option 1: In the case of Securities linked to an index as Underlying, the following applies:]

- § 1 Definitions
- § 2 Interest
- § 3 Redemption[, Dividend Payment]
- § 4 Redemption Amount[, Dividend Amount]
- § 5 Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right
- § 6 Payments
- § 7 Market Disruptions
- § 8 Index Concept, Adjustments, Replacement Underlying, New Index Sponsor and New Index Calculation Agent, Replacement Specification

[In the case of Open End Compo Securities, the following applies:]

- § 9 New Fixing Sponsor, Replacement Exchange Rate]]

[Option 2: In the case of Securities linked to a commodity as Underlying, the following applies:]

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

§ 5 Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right

§ 6 Payments

§ 7 Market Disruptions

§ 8 Relevant Trading Conditions, Adjustments, Replacement Reference Market

[In the case of Open End Compo Securities, the following applies:

§ 9 New Fixing Sponsor, Replacement Exchange Rate]]

[Option 3: In the case of Securities linked to a futures contract as Underlying, the following applies:

§ 1 Definitions

§ 2 Interest

§ 3 Redemption

§ 4 Redemption Amount

§ 5 Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right

§ 6 Payments

§ 7 Market Disruptions

§ 8 Contract Specifications, Adjustments, Replacement Underlying, Replacement Reference Market

[In the case of Open End Compo Securities, 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 non-par value [notes] [certificates] in bearer form pursuant to these Terms and Conditions 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 [In the case of an Issuing Agent, the following applies: as well as the manual signature of a control officer of the Issuing Agent]. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System. [In the case of interest-bearing Securities, the following applies: The right to receive interest is represented by the Global Note.]

[In the case of Securities with a Temporary Global Note which will be exchangeable for a Permanent Global Note, the following applies:³

- (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

³ 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.

as co-ownership interests in the Global Notes may be transferred pursuant to the relevant regulations of the Clearing System. [*In the case of interest-bearing Securities, the following applies:* The right to receive interest is represented by the Global Note.]

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

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

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

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

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

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

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

[In the case of Securities where "Other" is specified in the Final Terms, the following applies:

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

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany] [Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom] [*Insert name and address of other paying agent*]. [The French Paying Agent for Euroclear France S.A. is CACEIS Bank S.A., 1-3 rue place Valhubert, 75206 Paris Cedex 13, France (the "**French Paying Agent**").] The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 6 of the General Conditions.
- (2) *Calculation Agent:* The "**Calculation Agent**" is [UniCredit Bank AG, Arabellastraße 12, 81925 Munich] [*Insert name and address of other calculation agent*].
- (3) *Transfer of functions:* Should any event occur which results in the Principal Paying Agent[, the 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[, the 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[, 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[, 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, at least *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 from then on be deemed to refer to the New Issuer. Furthermore, any

reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

§ 6

Notices

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

Other publications with regard to the Securities are published on the Website of the Issuer (or any successor website).

§ 7

Security Holder's Extraordinary Termination Right

- (1) Each Security Holder shall be entitled to declare its Security due and demand immediate redemption thereof at the Termination Amount, in the event that
 - (a) the Issuer fails to duly perform any obligation arising under the Securities and such failure continues for more than 60 days after the Issuer has received notice thereof from a Security Holder, or
 - (b) the Issuer generally ceases to make payments, or
 - (c) an application is made to open insolvency proceedings or a comparable proceeding with regard to the assets of the Issuer or the Issuer offers an out-of-court settlement to avert insolvency proceedings or other similar proceedings, or
 - (d) the Issuer goes into liquidation, unless in connection with a merger, or other form of reorganization, such other or such reorganized company assumes all obligations of the Issuer in respect of the Securities.

The right to declare the Securities due shall terminate if the relevant event of default has been cured before the right is exercised.

- (2) Any notice declaring the Securities due pursuant to paragraph (1) shall be made by means of written notice by the Security Holder to be delivered to the Principal Paying Agent by hand or registered mail together with sufficiently conclusive proof that such Security Holder at the time of such notice is a holder of the relevant Securities. The Principal Paying Agent shall forward the notice without undue delay to the Issuer without further examination.
- (3) The "**Termination Amount**" per Security shall be the reasonable market value of the Securities as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) within ten Banking Days after receipt of the notice.

§ 8

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.

§ 9

Presentation Period

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

§ 10

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.

§ 11

Applicable Law, Place of Performance, Place of Jurisdiction

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

Part B – Product and Underlying Data

PART B – PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

[Insert the following product data in alphabetical or different order and/or as a table⁴ (particularly in the case of multi-series-issues):

[Banking Day Financial Centre: [Insert]]

First Call Date: [Insert]

First Redemption Date: [Insert]

Fixing Sponsor: [Insert]

FX Screen Page: [Insert]]

[Gap Risk Fee: [Insert]]

[Index Calculation Fee in %: [Insert]]

[Issue Price: [Insert]]⁵

Issue volume of Series in units: [Insert]

Issue volume of Tranche in units: [Insert]

[Management Fee: [Insert]]

[Maximum Gap Risk Fee: [Insert]]

[Maximum Quanto Fee in %: [Insert]]

⁴ Several consecutively numbered tables may be provided in the Final Terms depending on the product type.

⁵ If the Issue Price was not specified at the time of the creation of the Final Terms, the method for the price specification and the procedure for its publication shall be defined in *Part A – General Information* of the Final Terms.

[Maximum Short Selling Fee: *[Insert]*

Maximum Transaction Fee in %: *[Insert]*

[Mnemonic Code]: *[Insert]*

[Participation Factor Current: *[Insert]*

[Quanto Fee in %: *[Insert]*

Ratio: *[Insert]*

Reference Price: *[Insert]*

Reuters: *[Insert]*

Series Number: *[Insert]*

[Short Selling Fee: *[Insert]*

Specified Currency: *[Insert]*

Tranche Number: *[Insert]*

Underlying: *[Insert]*

Website for Notices: *[Insert]*

Website of the Issuer: *[Insert]*

WKN: *[Insert]*

§ 2

Underlying Data

[In the case of Securities with a leverage index as Underlying, the following applies:

[Table 2.1:]

Underlying	Index Type	[Factor]	[Factor Type]	Underlying Currency	WKN	ISIN	Reuters	Bloomberg	Index Sponsor	Index Calculation Agent	Website
[Insert]	[Price Return] [Net Return] [Total Return] [Excess Return]	[Insert]	[long] [short]	[Insert]	[Insert]	[Insert]	[Insert RIC]	[Insert Bloomberg ticker]	[Insert]	[Insert]	[Insert]

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor website).]

[In the case of Securities with an index as Underlying, the following applies:]

[Table 2.1:]

Underlying	Index Type	Underlying Currency	WKN	ISIN	Reuters	Bloomberg	Index Sponsor	Index Calculation Agent	Website
[Insert]	[Price Return] [Net Return] [Total Return] [Excess Return] [Distributing Index]	[Insert]	[Insert]	[Insert]	[Insert RIC]	[Insert Bloomberg ticker]	[Insert]	[Insert]	[Insert]

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor website).]

[In the case of Securities with a commodity as Underlying, the following applies:]

[Table 2.1:]

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

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor website).]

[In the case of Securities with a futures contract as Underlying, the following applies:

[Table 2.1:]

Underlying	Underlying Currency	WKN	ISIN	Reuters	Bloomberg	Reference Market	Website
<i>[Insert name of Underlying with delivery month]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert]</i>	<i>[Insert RIC]</i>	<i>[Insert Bloomberg ticker]</i>	<i>[Insert]</i>	<i>[Insert]</i>

For further information regarding the past and future performance of the Underlying and its volatility, please refer to the Website as specified in the table (or any successor website).]

Part C – Special Conditions of the Securities

PART C - SPECIAL CONDITIONS OF THE SECURITIES

(the "Special Conditions")

[Option 1: In the case of Securities linked to an index as Underlying, the following applies:]

§ 1

Definitions

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

- (a) changes in the relevant Index Concept or the calculation of the Underlying, that in the reasonable discretion (§ 315 BGB) of the Calculation Agent result in a new relevant Index Concept or calculation of the Underlying being no longer economically equivalent to the original relevant Index Concept or the original calculation of the Underlying;
- (b) the calculation or publication of the Underlying is finally discontinued, or replaced by another index (the "**Index Replacement Event**");
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Underlying as basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities; likewise the Issuer is not responsible for the termination of the license to use the Underlying due to an unacceptable increase in license fees (a "**License Termination Event**");
- (d) any event which is economically equivalent to one of the above-mentioned events with regard to its consequences on the Underlying.

[In the case of Securities where the Specified Currency is the Euro, the following applies:]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") are open for business.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre.

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

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

"**Calculation Date**" means each day on which the Reference Price is published by the Index Sponsor or the Index Calculation Agent, as the case may be.

"**Call Date**" means the Call Date as defined in § 5 (2) of the Special Conditions.

[In the case of Open End Securities, the following applies:]

"**Call Event**" means Index Call Event.]

[In the case of Open End Quanto Securities, the following applies:

"**Call Event**" means Index Call Event.]

[In the case of Open End Compo Securities, the following applies:

"**Call Event**" means Index 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 regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

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

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

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

"**Clearance System**" means the principal domestic clearance system customarily used for settling trades in the securities that form the basis of the Underlying as specified by the Calculation Agent in its reasonable discretion (§ 315 BGB).

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

[In the case of Securities with CBF as Clearing System, the following applies:

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

[In the case of Securities with Euroclear France as Clearing System, the following applies:

"**Clearing System**" means Euroclear France SA ("**Euroclear France**").]

[In the case of Securities with another Clearing System, the following applies:

"**Clearing System**" means [Insert other Clearing System(s)].]

"**Determining Futures Exchange**" means the futures exchange, on which respective derivatives on the Underlying or – if derivatives on the Underlying 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, such as final discontinuation of derivatives' quotation linked to the Underlying or to its components at the Determining Futures 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 specify another futures exchange as the determining futures exchange (the "**Substitute Futures Exchange**"). In the event of such a substitution, any reference in the Terms and Conditions of these Securities to the Determining Futures

Exchange shall be deemed to refer to the Substitute Futures Exchange.

[In the case of Securities linked to an index as Underlying, for which "Distributing Index" is specified in the column "Index Type" of the relevant table in § 2 of Part B – Product and Underlying Data, the following applies:]

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

- (a) the non-calculation of the Theoretical Cash Component by the Index Calculation Agent for a Dividend Observation Date (k) (with k = 1, 2, ...);
- (b) the Theoretical Cash Component is neither published nor provided to the Calculation Agent by neither the Index Calculation Agent nor by the Index Sponsor.

"Dividend Amount (k)" (with k = 1, 2, ...) means the respective Dividend Amount (k) as calculated by the Calculation Agent pursuant to § 3 of the Special Conditions

"Dividend Amount Payment Date (k)" (with k = 1, 2, ...) is five Banking Days after the respective Dividend Observation Date (k) (with k = 1, 2, ...).

"Dividend Observation Date (k)" (with k = 0, 1, 2, ...) means the second last Calculation Date of the months [Insert month(s)] of each year, where k = 1 is the Dividend Observation Date immediately following the First Trading Day.

"Dividend Period (k)" means each calendar day from the Dividend Observation Date (k-1) (with k = 1, 2, ...) (excluding) to the Dividend Observation Date (k) (with k = 1, 2, ...) (including).

The **"Dividend Value (k)"** (with k = 1, 2, ...) will be determined for the respective Dividend Period (k) (with k = 1, 2, ...) as the value of the theoretical cash component of the Underlying (the **"Theoretical Cash Component"**) as calculated by the Index Calculation Agent on the respective Dividend Observation Date (k) (with k = 1, 2, ...) and published on the Issuer's website [Insert website] (or any successor website) with the respective product information. The Theoretical Cash Component reflects the sum of the net dividend payments of the components of the Underlying during the relevant Dividend Period (k) (with k = 1, 2, ...) as determined by the Index Calculation Agent and accrued interest on a daily basis at the currently valid EONIA-rate (Euro OverNight Index Average rate). After each Dividend Observation Date (k) (with k = 1, 2, ...), the Theoretical Cash Component will be reset to zero and newly calculated. The method of calculating the Theoretical Cash Component by the Index Calculation Agent including the calculation of the net dividend payments will be available on the website of the Index Calculation Agent [Insert website] (or any successor website).]

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

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

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

[In the case of Open End Compo Securities, the following applies:]

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

"FX" means the official fixing of the FX Exchange Rate as published by the Fixing Sponsor on the FX Screen Page (or any replacement page).

"FX Calculation Date" means each day on which FX is published by the Fixing Sponsor.

"FX Call Event" means each of the following events:

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

[If the base currency of the FX Exchange Rate displayed on the Screen Page is the same as the Specified Currency, the following applies:

"FX Exchange Rate" means the currency exchange rate for the conversion of the Specified Currency into the Underlying Currency.]

[If the base currency of the FX Exchange Rate displayed on the Screen Page is not the same as the Underlying Currency, the following applies:

"FX Exchange Rate" means the currency exchange rate for the conversion of the Underlying Currency into the Specified Currency.]

"FX (final)" means FX on the FX Valuation Date.

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

- (a) the failure to publish the FX by the Fixing Sponsor;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of FX (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

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

"FX Valuation Date" means the FX Valuation Date immediately following the respective Valuation Date.

"FX Screen Page" means the FX Screen Page as specified in § 1 of the Product and Underlying Data.]

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Gap Risk Fee Adjustment, the following applies:

"Gap Risk Fee Adjustment" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price } (t-1) \times \frac{\text{Gap Risk Fee } (t)}{365,25}$$

Where:

"n" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"Reference Price (t-1)" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"Gap Risk Fee" means the Gap Risk Fee as specified [in the column "Gap Risk Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

The Calculation Agent will, in the case of not only immaterial changes in the market conditions for gap risks (such as changes in the index, changes in costs for gap risk hedging transactions), adjust the Gap Risk Fee to such changed market conditions. The extent of the adjustment is determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) based on the extent of the changes in the relevant market conditions. The Gap Risk Fee shall not exceed the Maximum Gap Risk Fee (including). If the adjustment to changed market conditions would, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, lead to a Gap Risk Fee lying above the Maximum Gap Risk Fee, the Issuer shall be entitled to terminate the Securities pursuant to § 5 (3) of the Special Conditions at the Cancellation Amount. The Issuer will provide notice of such adjustment or termination pursuant to § 6 of the General Conditions.

"Gap Risk Fee (t)" means the Gap Risk Fee applicable on the relevant calendar day (t).]

["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 obligations under the Securities or
- (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively, under conditions which are economically substantially equal 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 Trading Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion of the Issuer (§ 315 BGB) are needed in order to hedge price risks or other risks with regard to obligations under the Securities or
- (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively, with increased costs due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

"Index Calculation Agent" means the Index Calculation Agent as specified [in the column "Index Calculation Agent" in Table [●]] in § 2 of the Product and Underlying Data.

[In the case of Securities where the method for the calculation of the Redemption Amount provides for an Index Calculation Fee Adjustment, the following applies:

"Index Calculation Fee Adjustment" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Index Calculation Fee (t)}}{365,25}$$

Where:

"n" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"**Reference Price (t-1)**" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

The Index Calculation Fee is charged in favour of the Index Sponsor or the Calculation Agent, as the case may be.

"**Index Calculation Fee**" means the Index Calculation Fee as specified [in the column "Index Calculation Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

[The Calculation Agent may reduce but not increase the Index Calculation Fee at any time during the term of the Securities. Such reduction shall be notified pursuant to § 6 of the General Conditions.]

"**Index Calculation Fee (t)**" means the Index Calculation Fee applicable on the relevant calendar day (t).]

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

- (a) an adjustment pursuant to § 8 (3) or (4) of the Special Conditions is not possible or not justifiable with regard to the Issuer and/or the Security Holders;
- (b) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable Replacement Underlying is available;
- (c) in the reasonable discretion (§ 315 BGB) of the Calculation Agent no suitable substitute for the Index Sponsor and/or the Index Calculation Agent is available;
- (d) a Change in Law [and/or a Hedging Disruption and/or Increased Costs of Hedging] occur[s];
- (e) the calculation or publication of the Underlying no longer occurs in the Underlying Currency.

"**Index Sponsor**" means the Index Sponsor as specified [in the column "Index Sponsor" in Table [●]] in § 2 of the Product and Underlying Data.

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

[In the case of an Issuing Agent, the following applies:

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

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Management Fee Adjustment, the following applies:

"**Management Fee Adjustment**" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Management Fee (t)}}{365,25}$$

Where:

"**n**" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"**Reference Price (t-1)**" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"**Management Fee**" means the Management Fee as specified in the column "Management Fee in %" in Table 1.2 in § 1 of the Product and Underlying Data.

[The Calculation Agent may reduce but not increase the Management Fee at any time during the term of the Securities. Such reduction shall be notified pursuant to § 6 of the General Conditions.]

"**Management Fee (t)**" means the Management Fee applicable on the relevant calendar day (t).]

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

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

to the extent that such Market Disruption Event occurs in the last hour prior to the normal calculation of the Reference Price, that is relevant for Securities, 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 Relevant Exchange or, as the case may be, the Determining Futures Exchange, shall not constitute an Market Disruption Event provided that the restriction is due to a previously announced change in the rules of the Relevant Exchange or, as the case may be, the Determining Futures Exchange.

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Gap Risk Fee Adjustment, the following applies:

"**Maximum Gap Risk Fee**" means the Maximum Gap Risk Fee as specified [in the column "Maximum Gap Risk Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Quanto Fee Adjustment, the following applies:

"**Maximum Quanto Fee**" means the Maximum Quanto Fee as specified [in the column "Maximum Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Short Selling Fee Adjustment, the following applies:

"**Maximum Short Selling Fee**" means the Maximum Short Selling Fee as specified [in the column "Maximum Short Selling Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

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

[In the case of Open End Quanto Securities, the following applies:

"**Quanto Fee Adjustment**" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Quanto Fee (t)}}{365,25}$$

Where:

"**n**" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"**Reference Price (t-1)**" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"**Quanto Element**" means the conversion of the Redemption Amount from the Underlying Currency into the Specified Currency with a conversion factor of 1:1.

"**Quanto Fee**" means the Quanto Fee as specified [in the column "Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

The Calculation Agent will, in the case of not only immaterial changes in the market conditions for currency exchange rate protection transactions (e.g. difference in interest rates between the Underlying Currency and the Specified Currency, the volatility of the Underlying, the volatility of the currency exchange rate between the Underlying Currency and the Specified Currency, the correlation between the Underlying and the Underlying Currency, and such other factors), adjust the Quanto Fee to such changed market conditions. The extent of the adjustment is determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) based on the extent of the changes in the relevant market conditions. The Quanto Fee shall not exceed the Maximum Quanto Fee (including). If the adjustment to changed market conditions would, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, lead to a Quanto Fee lying above the Maximum Quanto Fee, the Issuer shall be entitled to terminate the Securities pursuant to § 5 (3) of the Special Conditions at the Cancellation Amount. The Issuer will provide notice of such adjustment or termination pursuant to § 6 of the General Conditions.

"**Quanto Fee (t)**" means the Quanto Fee applicable on the relevant calendar day (t).]

"**Ratio**" means the Ratio as specified [in the column "Ratio" in Table [●]] in § 1 of the Product

and Underlying Data.

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

"Redemption Date" means the Redemption Date as defined in § 5 (1) of the Special Conditions.

"Redemption Right" means the Redemption Right as defined in § 5 (1) of the Special Conditions.

"Reference Price" means the Reference Price of the Underlying [as specified in the column "Reference Price" in Table [●]] in § 1 of the Product and Underlying Data.

"Regular Call Right" means the Regular Call Right as defined in § 5 (2) of the Special Conditions.

"Relevant Exchange" means the exchange, on which the components of the Underlying 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 component's liquidity.

In the case of a material change in the market conditions at the Relevant Exchange, such as final discontinuation of the quotation of the components of the Underlying at the Relevant Exchange 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 specify another stock exchange as the relevant exchange (the **"Substitute Exchange"**). In the event of a substitution, any reference in the Terms and Conditions of these Securities to the Relevant Exchange shall be deemed to refer to the Substitute Exchange.

"Relevant Reference Price" means the Reference Price on the respective Valuation Date.

"Security Holder" means the holder of a Security.

"Settlement Cycle" means the period of Clearance System Business Days following a trade on the Relevant Exchange in the securities that form the basis of the Underlying, in which settlement will customarily occur according to the rules of that Relevant Exchange.

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Short Selling Fee Adjustment, the following applies:

"Short Selling Fee Adjustment" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price } (t-1) \times \frac{\text{Short Selling Fee } (t)}{365,25}$$

Where:

"n" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"Reference Price (t-1)" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"Short Selling Fee" means the Short Selling Fee as specified [in the column "Short Selling

Fee in %" in Table [●] in § 1 of the Product and Underlying Data.

The Calculation Agent will, in the case of not only immaterial changes in the market conditions for short sales (such as changes in taxation with regard to dividend payments, changes in lending fees for the securities contained in the index, changes in the index, change in hedging costs), adjust the Short Selling Fee to such changed market conditions. The extent of the adjustment is determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) based on the extent of the changes in the relevant market conditions. The Short Selling Fee shall not exceed the Maximum Short Selling Fee (including). If the adjustment to changed market conditions would, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, lead to a Short Selling Fee lying above the Maximum Short Selling Fee, the Issuer shall be entitled to terminate the Securities pursuant to § 5 (3) of the Special Conditions at the Cancellation Amount. The Issuer will provide notice of such adjustment or termination pursuant to § 6 of the General Conditions.

"**Short Selling Fee (t)**" means the Short Selling Fee applicable on the relevant calendar day (t).]

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

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

"**Underlying**" means the Underlying as specified [in the column "Underlying" in Table [●] in § 1 of the Product and Underlying Data. The Underlying is specified by the Index Sponsor and is calculated by the Index Calculation Agent.

"**Underlying Currency**" means the Underlying Currency as specified [in the column "Underlying Currency" in Table [●] in § 2 of the Product and Underlying Data.

"**Valuation Date**" means the [Insert number] Banking Day prior to each Redemption Date and each Call Date. If such day is not a Calculation Date, the immediately following Banking Day, which is a Calculation Date, shall be the respective Valuation Date. The respective Redemption Date or the respective Call Date will be postponed accordingly. Interest shall not be payable due to such postponement.

"**Website for Notices**" means the Website for Notices as specified in § 1 of the Product and Underlying Data (and any successor website).

"**Website of the Issuer**" means the Website of the Issuer as specified in § 1 of the Product and Underlying Data (and any successor website).

§ 2

Interest

[In the case of non-interest bearing Securities, the following applies:

The Securities do not bear interest.]

[In the case of interest bearing Securities, the following applies:

- (1) *Interest:* The Security Holders may demand payment of the Interest Amount at each Interest Payment Date.

"**Interest Payment Date**" means each day which falls [Insert relevant Period] after the

preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the [Insert relevant date]. The final Interest Payment Date shall be the Redemption Date in relation to which the respective Security Holder exercises its Redemption Right or the Call Date in relation to which the Issuer exercises its Regular Call Right, as the case may be.

- (2) *Interest Amount:* The "**Interest Amount**" will be calculated by the Calculation Agent, by multiplying the Coupon with the Day Count Fraction.

"**Coupon**" means [Insert Coupon].

"**Day Count Fraction**" means, in respect of the calculation of the Interest Amount on any Security for any period of time (the "**Calculation Period**") the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

The Interest Amount shall be payable in arrear pursuant to the provisions in § 6 of the Special Conditions.]

§ 3

Redemption[, Dividend Payment]

- (1) *Redemption:* The Securities shall be redeemed by payment of the respective Redemption Amount on the respective Redemption Date or the respective Call Date pursuant to the provisions of § 6 of the Special Conditions.

[In the case of Securities linked to an index as Underlying, for which "Distributing Index" is specified in the column "Index Type" of the relevant table in § 2 of Part B – Product and Underlying Data, the following applies:

- (2) *Dividend payment:* The Security Holders shall be entitled to receive payment of the respective Dividend Amount (k) (with k = 1, 2, ...) per Security at each Dividend Amount Payment Date (k) (with k = 1, 2, ...).

The right to receive payment of Dividend Amounts ceases for a Security Holder after expiration of the Dividend Period (k) (with k = 1, 2, ...) immediately preceding the Valuation Date in relation to which he exercises his Redemption Right, or in relation to which the Issuer exercises its Regular Call Right, as the case may be.

The respective Dividend Amount (k) (with k = 1, 2, ...) shall be paid pursuant to the provisions of § 6 of the Special Conditions.]

§ 4

Redemption Amount[, Dividend Amount]

- (1) *Redemption Amount:* The Redemption Amount for a Redemption Date and/or Call Date equals an amount in the Specified Currency, which is calculated or, respectively, specified by the Calculation Agent as follows:

[In the case of Open End Securities, the following applies:

Redemption Amount = max(Relevant Reference Price [– Management Fee Adjustment] [– Short Selling Fee Adjustment] [– Index Calculation Fee Adjustment] [– Gap Risk Fee

Adjustment]; 0) x Ratio]

[In the case of Open End Quanto Securities, the following applies:

Redemption Amount = max(Relevant Reference Price – Quanto Fee Adjustment [– Management Fee Adjustment] [– Short Selling Fee Adjustment] [– Index Calculation Fee Adjustment] [– Gap Risk Fee Adjustment]; 0) x Ratio]

[In the case of Open End Compo Securities¹, the following applies:

Redemption Amount = max(Relevant Reference Price [– Management Fee Adjustment] [– Short Selling Fee Adjustment] [– Index Calculation Fee Adjustment] [– Gap Risk Fee Adjustment]; 0) x Ratio / FX (final)]

[In the case of Open End Compo Securities², the following applies:

Redemption Amount = max(Relevant Reference Price [– Management Fee Adjustment] [– Short Selling Fee Adjustment] [– Index Calculation Fee Adjustment] [– Gap Risk Fee Adjustment]; 0) x Ratio x FX (final)]

For the calculation of the Redemption Amount one index point corresponds to one unit of the Underlying Currency (e.g. EUR 1,- for Euro or USD 1,- for US-Dollar).

The method of calculation or, respectively, specification of the Redemption Amount is subject to adjustments and market disruptions pursuant to § 7[,] [and] § 8 [and § 9] of the Special Conditions.

[In the case of Securities linked to an index as Underlying, for which “Distributing Index” is specified in the column “Index Type” of the relevant table in § 2 of Part B – Product and Underlying Data, the following applies:

- (2) *Dividend Amount:* The Dividend Amount (k) (with k = 1, 2, ...) equals an amount in the Specified Currency, which is calculated by the Calculation Agent at the respective Dividend Observation Date (k) (with k = 1, 2, ...) as follows:

Dividend Amount (k) = Dividend Value (k) x Ratio

For the calculation of the Dividend Amount one index point corresponds to one unit of the Underlying Currency (e.g. EUR 1,- for Euro or USD 1,- for US-Dollar).

The method of calculation of the Dividend Amount is subject to adjustments and market disruptions pursuant to § 7 [,] [and] § 8 [and § 9] of the Special Conditions.]

§ 5

Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right

- (1) *Redemption Right of the Security Holders:* Each Security Holder may demand redemption of the Securities pursuant to the provisions of § 4 (1) of the Special Conditions against delivery of the Securities to the account of the Principal Paying Agent No. [Insert account number] with the Clearing System to the Issuer's order (the "**Redemption Right**") at the last Banking Day of the month of [Insert month(s)] of each year starting on the First Redemption Date (each such date a "**Redemption Date**").

¹ If the base currency of the FX Exchange Rate displayed on the Screen Page is the same as the Specified Currency

² If the base currency of the FX Exchange Rate displayed on the Screen Page is unequal to the Specified Currency

The exercise of the Redemption Right shall be declared by the Security Holder by transmission of a duly completed form (the "**Redemption Notice**"), available at the offices of the Issuer during normal business hours, to the Issuer at least [*Insert notice period*] Banking Days prior to the designated Redemption Date.

The Redemption Notice shall include in particular:

- (a) the name and the address of the Security Holder, with sufficiently conclusive proof of ownership to the Principal Paying Agent that such Security Holder at the time of such notice is a holder of the respective Securities;
- (b) the security identification number and the number of Securities in relation to which the Redemption Right shall be exercised;
- (c) the cash account held by a bank to which the Redemption Amount is to be transferred.

If the number of Securities stated in the Redemption Notice deviates from the number of Securities transferred to the Principal Paying Agent, the Redemption Notice shall be deemed to have been submitted for the number of Securities corresponding to the smaller of the two numbers. Any remaining Securities are transferred back to the Security Holder at the latter's expense and risk.

No Redemption Right so exercised may be revoked or withdrawn.

- (2) *Issuer's Regular Call Right:* The Issuer may at the last Banking Day of the month of [*Insert month(s)*] of each year starting on the First Call Date (each such date a "**Call Date**") call the Securities completely but not partially (the "**Regular Call Right**") and redeem them pursuant to § 4 (1) of the Special Conditions.

The Issuer shall give notice of such call at least [*Insert notice period*] prior to the relevant Call Date pursuant to § 6 of the General Conditions. Such notice shall be irrevocable and shall specify the relevant Call Date.

The Redemption Right of the Security Holders remains unaffected until the last Redemption Date immediately preceding the Call Date.

- (3) *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 to redeem the Securities at their Cancellation Amount. Such call shall become effective at the time of the notice pursuant to § 6 of the General Conditions or at the time indicated in the notice, as the case may be.

The "**Cancellation Amount**" shall be the reasonable market value of the Securities determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) within ten Banking Days before the extraordinary call becomes effective.

The Cancellation Amount will be paid five Banking Days following the date of the above mentioned notice, or at the date specified in such notice, as the case may be, pursuant to the provisions of § 6 of the Special Conditions.

§ 6

Payments

[In the case of Securities where the Specified Currency is the Euro, the following applies:

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]
- (2) *Business day convention:* If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day then the Security Holders shall not be entitled to payment until the next following Banking Day. The Security Holders shall not be entitled to further interest or other payments in respect of such delay.
- (3) *Manner of payment, discharge:* All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and 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 any payment under the Securities when due, accrual of interest on due amounts continues 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 payment (including).

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

- (5) Payments of Interest Amounts on the Securities represented by a Temporary Global Note shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1 of the General Conditions) by the relevant participants to the Clearing System.]

§ 7

Market Disruptions

- (1) *Postponement:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on a Valuation Date, the respective Valuation Date will be postponed to the next following Calculation Date on which the Market Disruption Event no longer exists. [If a FX Market Disruption Event occurs on a FX Valuation Date, the respective FX Valuation 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 Valuation Date [or FX Valuation Date, as the case may be,] shall be postponed accordingly if applicable. No interest is due because of 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 determine 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 around [insert time and financial centre] on the [insert number of the following Banking Day]th Banking Day, taking into account the economic position of the Security Holders.

If within these [insert number of Banking Days] Banking Days traded Derivatives linked to the Underlying expire and are paid on the Determining Futures Exchange, the settlement price established by the Determining Futures Exchange for the there traded Derivatives will be

taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the relevant Valuation Date.

[In the case of Securities linked to an index as Underlying, for which "Distributing Index" is specified in the column "Index Type" of the relevant table in § 2 of Part B – Product and Underlying Data, the following applies:

- (3) *Dividend Market Disruption:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Dividend Market Disruption Event occurs on a Dividend Observation Date, the respective Dividend Observation Date will be postponed to the next following Calculation Date on which the Dividend Market Disruption Event no longer exists.

Should the Dividend 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 Theoretical Cash Component for the respective Dividend Observation Date. The Theoretical Cash Component required for the calculation of the Dividend Amount shall be determined in accordance with prevailing market conditions around [Insert time and financial centre] on this [Insert number of the following Banking Day] Banking Day, taking into account the economic position of the Certificate Holders.

Any Payment Date relating to such Dividend Observation Date shall be postponed if applicable. No interest is due because of such postponement.]

§ 8

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

- (1) *Index Concept:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Underlying with its provisions applicable from time to time, as developed and continued by the Index Sponsor, as well as the respective method of calculation, determination, and publication of the price of the Underlying (the "**Index Concept**") applied by the Index Sponsor. This shall apply if during the term of the Securities changes are made or occur in respect of the Index Concept, or if other measures are taken, which have an impact on the Index Concept, unless otherwise provided in the below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent shall in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities (in particular the Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Calculation Agent pursuant to the Terms and Conditions of these Securities, etc.) and/or all prices of the Underlying 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 made by the Calculation Agent taking into account the adjustments of the Derivatives linked to the Underlying actually performed by the Determining Futures Exchange and the remaining term of the Securities as well as the latest available price of the Underlying. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange, no adjustments are made to the Derivatives linked to the Underlying, the Terms and Conditions of these Securities will regularly remain unchanged. The adjusted method for the calculation or, respectively, specification of the Redemption Amount, the adjusted Ratio and the time of

its initial application will be published in accordance with § 6 of the General Conditions.

- (3) *Replacement Underlying*: In cases of an Index Replacement Event or a License Termination Event, the adjustment pursuant to paragraph (2) usually occurs by the Calculation Agent in its reasonable discretion (§ 315 BGB) determining, which index should be used in the future as Underlying (the "**Replacement Underlying**"). If necessary, the Calculation Agent, moreover, will make further adjustments to the Terms and Conditions of these Securities (in particular to the Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Calculation Agent) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in such a way that the economic position of the Security Holders remains unchanged to the greatest extent possible. The Replacement Underlying and the performed adjustments and the time of its initial application will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying, any reference to the substituted Underlying in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Underlying, unless the context provides otherwise.
- (4) *New Index Sponsor and New Index Calculation Agent*: If the Underlying is no longer determined by the Index Sponsor but rather by another person, company or institution (the "**New Index Sponsor**"), then all calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of the Underlying as determined by the New Index Sponsor. In this case, any reference to the Index Sponsor shall be deemed as referring to the New Index Sponsor, depending on the context. If the Underlying is no longer calculated by the Index Calculation Agent but rather by another person, company or institution (the "**New Index Calculation Agent**"), then all calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of the Underlying as calculated by the New Index Calculation Agent. In this case, any reference to the Index Calculation Agent shall be deemed as referring to the New Index Calculation Agent.
- (5) *Replacement Specification*: If a published price of the Underlying pursuant to the Terms and Conditions of these Securities, as published by the Index Sponsor or the Index Calculation Agent, as the case may be, will subsequently be corrected and the correction (the "**Corrected Value**") will be published by the Index Sponsor or the Index Calculation Agent, as the case may be, after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall again specify and publish pursuant to § 6 of the General Conditions the relevant value by using the Corrected Value (the "**Replacement Specification**").

[In the case of Open End Compo Securities, the following applies:

§ 9

New Fixing Sponsor, Replacement Exchange Rate

- (1) *New Fixing Sponsor*: In the event that the FX Exchange Rate is no longer determined and published by the Fixing Sponsor, 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 initial application shall be published in accordance with § 6 of the General Conditions. In this case each and every reference to the substituted Fixing Sponsor in the Terms and Conditions of these Securities

shall be deemed to refer to the New Fixing Sponsor.

- (2) *Replacement Exchange Rate:* In the event that FX Exchange Rate is no longer determined and published, the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of a FX Exchange Rate 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 initial application shall be published in accordance with § 6 of the General Conditions. In this case each and every reference to the substituted FX Exchange Rate in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Exchange Rate.]]

[Option 2: In the case of Securities linked to a commodity as Underlying, the following applies:

§ 1

Definitions

"**Adjustment Event**" means any changes in the Relevant Trading Conditions of the Underlying 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.

[In the case of Securities where the Specified Currency is the Euro, the following applies:

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") are open for business.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre.

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

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

"**Calculation Date**" means each day on which the Reference Price is published by the Reference Market.

"**Call Date**" means the Call Date as defined in § 5 (2) of the Special Conditions.

[In the case of Open End Securities, the following applies:

"**Call Event**" means Commodity Call Event.]

[In the case of Open End Quanto Securities, the following applies:

"**Call Event**" means Commodity Call Event.]

[In the case of Open End Compo Securities, the following applies:

"**Call Event**" means 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 regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

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

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

of tax benefits or other negative consequences with regard to tax treatment),
if such changes become effective on or after the First Trade Date of the Securities.

"Commodity Call Event" means each of the following:

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

[In the case of Securities with CBF as Clearing System, the following applies:]

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

[In the case of Securities with Euroclear France as Clearing System, the following applies:]

"Clearing System" means Euroclear France SA ("**Euroclear France**").]

[In the case of Securities with another Clearing System, the following applies:]

"Clearing System" means [Insert other Clearing System(s)].]

"Determining Futures Exchange" means the futures exchange, on which respective derivatives on the Underlying (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, such as final discontinuation of derivatives' quotation in respect of the derivatives on the Underlying at the Determining Futures 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 specify another futures exchange as the relevant futures exchange (the "**Substitute Futures Exchange**"). In the event of such a substitution, any reference in the Terms and Conditions of these Securities to the Determining Futures Exchange shall be deemed to refer to the Substitute Futures Exchange.

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

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

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

[In the case of Open End Compo Securities, the following applies:]

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

"FX" means the official fixing of the FX Exchange Rate as published by the Fixing Sponsor on the FX Screen Page (or any replacement page).

"FX Calculation Date" means each day on which FX is published by the Fixing Sponsor.

"FX Call Event" means each of the following events:

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

[If the base currency of the FX Exchange Rate displayed on the FX Screen Page is the same as the Specified Currency, the following applies:]

"FX Exchange Rate" means the currency exchange rate for the conversion of the Specified Currency into the Underlying Currency.]

[If the base currency of the FX Exchange Rate displayed on the FX Screen Page is not the same as the Underlying Currency, the following applies:]

"FX Exchange Rate" means the currency exchange rate for the conversion of the Underlying Currency into the Specified Currency.]

"FX (final)" means FX on the FX Valuation Date.

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

- (a) the failure to publish the FX by the Fixing Sponsor;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of FX (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

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

"FX Valuation Date" means the FX Valuation Date immediately following the respective Valuation Date.

"FX Screen Page" means the FX Screen Page as specified in § 1 of the Product and Underlying Data.]

["Hedging Disruption" means that the Issuer is not able to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to obligations under the Securities or
 - (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively,
- under conditions which are economically substantially equal 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 Trading Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion of the Issuer (§ 315 BGB) are needed in order to hedge price risks or other risks with regard to obligations under the Securities or
- (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively, with increased costs due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

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

[In the case of an Issuing Agent, the following applies:

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

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Management Fee Adjustment, the following applies:

"Management Fee Adjustment" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Management Fee (t)}}{365,25}$$

Where:

"n" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"Reference Price (t-1)" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"Management Fee" means the Management Fee as specified in the column "Management Fee in %" in Table 1.2 in § 1 of the Product and Underlying Data.

[The Calculation Agent may reduce but not increase the Management Fee at any time during the term of the Securities. Such reduction shall be notified pursuant to § 6 of the General Conditions.]

"Management Fee (t)" means the Management Fee applicable on the relevant calendar day (t).]

"Market Disruption Event" means each of the following:

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative linked to the Underlying on the Determining Futures Exchange

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 Reference Market or, as the case may be, the Determining Futures Exchange shall not constitute a Market Disruption Event provided that the restriction is due to a previously announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Quanto Fee Adjustment, the following applies:]

"**Maximum Quanto Fee**" means the Maximum Quanto Fee as specified [in the column "Maximum Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

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

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Quanto Fee Adjustment, the following applies:]

"**Quanto Fee Adjustment**" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Quanto Fee (t)}}{365,25}$$

Where:

"**n**" means the number of calendar days (t) from the First Trading Data (including) to the relevant Valuation Date (including).

"**Reference Price (t-1)**" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"**Quanto Element**" means the conversion of the Redemption Amount from the Underlying Currency into the Specified Currency with a conversion factor of 1:1.

"**Quanto Fee**" means the Quanto Fee as specified [in the column "Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

The Calculation Agent will, in the case of not only immaterial changes in the market conditions for currency exchange rate protection transactions (e.g. difference in interest rates between the Underlying Currency and the Specified Currency, the volatility of the Underlying, the volatility of the currency exchange rate between the Underlying Currency and the Specified Currency, the correlation between the Underlying and the Underlying Currency, and such other factors), adjust the Quanto Fee to such changed market conditions. The extent of the adjustment is determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) based on the extent of the changes in the relevant market conditions. The Quanto Fee shall not exceed the Maximum Quanto Fee (including). If the adjustment to changed market conditions would, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, lead to a Quanto Fee lying above the Maximum Quanto Fee, the Issuer shall be entitled to terminate the Securities pursuant to § 5 (3) of the Special Conditions at the Cancellation Amount. The Issuer will provide notice of such adjustment or termination pursuant to § 6 of the General Conditions.

"**Quanto Fee (t)**" means the Quanto Fee applicable on the relevant calendar day (t).]

"**Ratio**" means the Ratio as specified [in the column "Ratio" in Table [●]] in § 1 of the Product and Underlying Data.

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

"**Redemption Date**" means the Redemption Date as defined in § 5 (1) of the Special

Conditions.

"Redemption Right" means the Redemption Right as defined in § 5 (1) of the Special Conditions.

"Reference Market" means the Reference Market as specified in the column "Reference Market" in Table [●] in § 2 of the Product- and Underlying Data.

"Reference Price" means the Reference Price of the Underlying as specified [in the column "Reference Price" in Table [●]] in § 1 of the Product and Underlying Data and as published by the Reference Market.

"Regular Call Right" means the Regular Call Right as defined in § 5 (2) of the Special Conditions.

"Relevant Reference Price" means the Reference Price on the respective Valuation Date.

"Security Holder" means the holder of a Security.

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

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

"Underlying" means the Underlying as specified [in the column "Underlying" in Table [●]] in § 1 of the Product and Underlying Data.

"Underlying Currency" means the Underlying Currency as specified [in the column "Underlying Currency" in Table [●]] in § 2 of the Product and Underlying Data.

"Valuation Date" means the [Insert number] Banking Day prior to each Redemption Date and each Call Date. If such day is not a Calculation Date, the immediately following Banking Day, which is a Calculation Date, shall be the respective Valuation Date. The respective Redemption Date or the respective Call Date will be postponed accordingly. Interest shall not be payable due to such postponement.

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

"Website of the Issuer" means the Website of the Issuer as specified in § 1 of the Product and Underlying Data (and any successor website).

§ 2

Interest

[In the case of non-interest bearing Securities, the following applies:]

The Securities do not bear interest.]

[In the case of interest bearing Securities, the following applies:]

- (1) *Interest:* The Security Holders may demand payment of the Interest Amount at each Interest Payment Date.

"Interest Payment Date" means each day which falls [Insert relevant Period] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the [Insert relevant date]. The final Interest Payment Date shall be the Redemption Date in

relation to which the respective Security Holder exercises its Redemption Right or the Call Date in relation to which the Issuer exercises its Regular Call Right, as the case may be.

- (2) *Interest Amount*: The "**Interest Amount**" will be calculated by the Calculation Agent, by multiplying the Coupon with the Day Count Fraction.

"**Coupon**" means [*Insert Coupon*].

"**Day Count Fraction**" means, in respect of the calculation of the Interest Amount on any Security for any period of time (the "**Calculation Period**") the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

The Interest Amount shall be payable in arrear pursuant to the provisions in § 6 of the Special Conditions.]

§ 3

Redemption

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

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount for a Redemption Date and/or Call Date equals an amount in the Specified Currency, which is calculated or, respectively, specified by the Calculation Agent as follows:

[In the case of Open End Securities, the following applies:

Redemption Amount = max(Relevant Reference Price [- Management Fee Adjustment]; 0) x Ratio]

[In the case of Open End Quanto Securities, the following applies:

Redemption Amount = max(Relevant Reference Price - Quanto Fee Adjustment [- Management Fee Adjustment]; 0) x Ratio]

[In the case of Open End Compo Securities¹, the following applies:

Redemption Amount = max(Relevant Reference Price [- Management Fee Adjustment]; 0) x Ratio / FX (final)]

[In the case of Open End Compo Securities², the following applies:

Redemption Amount = max(Relevant Reference Price [- Management Fee Adjustment]; 0) x Ratio x FX (final)]

The method of calculation or, respectively, specification of the Redemption Amount is subject

¹ If the base currency of the FX Exchange Rate displayed on the Screen Page is the same as the Specified Currency

² If the base currency of the FX Exchange Rate displayed on the Screen Page is unequal to the Specified Currency

to adjustments and market disruptions pursuant to § 7[,] [and] § 8 [and § 9] of the Special Conditions.

§ 5

Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right

- (1) *Redemption Right of the Security Holders:* Each Security Holder may demand redemption of the Securities pursuant to the provisions of § 4 (1) of the Special Conditions against delivery of the Securities to the account of the Principal Paying Agent No. [Insert account number] with the Clearing System to the Issuer's order (the "**Redemption Right**") at the last Banking Day of the month of [Insert month(s)] of each year starting on the First Redemption Date (each such date a "**Redemption Date**").

The exercise of the Redemption Right shall be declared by the Security Holder by transmission of a duly completed form (the "**Redemption Notice**"), available at the offices of the Issuer during normal business hours, to the Issuer at least [Insert notice period] Banking Days prior to the designated Redemption Date.

The Redemption Notice shall include in particular:

- (a) the name and the address of the Security Holder, with sufficiently conclusive proof of ownership to the Principal Paying Agent that such Security Holder at the time of such notice is a holder of the respective Securities;
- (b) the security identification number and the number of Securities in relation to which the Redemption Right shall be exercised;
- (c) the cash account held by a bank to which the Redemption Amount is to be transferred.

If the number of Securities stated in the Redemption Notice deviates from the number of Securities transferred to the Principal Paying Agent, the Redemption Notice shall be deemed to have been submitted for the number of Securities corresponding to the smaller of the two numbers. Any remaining Securities are transferred back to the Security Holder at the latter's expense and risk.

No Redemption Right so exercised may be revoked or withdrawn.

- (2) *Issuer's Regular Call Right:* The Issuer may at the last Banking Day of the month of [Insert month(s)] of each year starting on the First Call Date (each such date a "**Call Date**") call the Securities completely but not partially (the "**Regular Call Right**") and redeem them pursuant to § 4 (1) of the Special Conditions.

The Issuer shall give notice of such call at least [Insert notice period] prior to the relevant Call Date pursuant to § 6 of the General Conditions. Such notice shall be irrevocable and shall specify the relevant Call Date.

The Redemption Right of the Security Holders remains unaffected until the last Redemption Date immediately preceding the Call Date.

- (3) *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 to redeem the Securities at their Cancellation Amount. Such call shall become effective at the time of the notice pursuant to § 6 of the General Conditions or at the time indicated in the notice, as the case may be.

The "**Cancellation Amount**" shall be the reasonable market value of the Securities determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) within ten Banking Days before the extraordinary call becomes effective.

The Cancellation Amount will be paid five Banking Days following the date of the above mentioned notice, or at the date specified in such notice, as the case may be, pursuant to the provisions of § 6 of the Special Conditions.

§ 6

Payments

[In the case of Securities where the Specified Currency is the Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]
- (2) *Business day convention:* If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day then the Security Holders shall not be entitled to payment until the next following Banking Day. The Security Holders shall not be entitled to further interest or other payments in respect of such delay.
- (3) *Manner of payment, discharge:* All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and 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 any payment under the Securities when due, accrual of interest on due amounts continues 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 payment (including).

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

- (5) Payments of the Interest Amounts on the Securities represented by a Temporary Global Note shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1 of the General Conditions) by the relevant participants to the Clearing System.]

§ 7

Market Disruptions

- (1) *Postponement:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on a Valuation Date, the respective Valuation Date will be postponed to the next following Calculation Date on which the Market Disruption Event no longer exists. [If a FX Market Disruption Event occurs on a FX Valuation Date, the respective FX Valuation 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 Valuation Date [or FX Valuation Date, as the case may be,] shall be postponed accordingly if applicable. No interest is due because of 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 determine 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 around [insert time and financial centre] on the [insert number of the following Banking Day]th Banking Day, taking into account the economic position of the Security Holders.

If within these [insert number of Banking Days] Banking Days traded Derivatives linked to the Underlying expire and are paid on the Determining Futures Exchange, the settlement price established by the Determining Futures Exchange for the there traded Derivatives will be taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the relevant Valuation Date.

§ 8

Relevant Trading Conditions, Adjustments, Replacement Reference Market

- (1) *Relevant Trading Conditions:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Underlying under consideration of
- (a) the method of price determination,
 - (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading) and
 - (c) other value determining factors,
- applicable on the Reference Market in respect of the Underlying (together the "**Relevant Trading Conditions**"), unless otherwise provided in below provisions.
- (2) *Adjustments:* Upon the occurrence of an Adjustment Event the Calculation Agent shall in its reasonable discretion (§ 315 BGB) adjust the Terms and Conditions of these Securities (in particular the Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Calculation Agent pursuant to the Terms and Conditions of these Securities, etc.) and/or all prices of the Underlying 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 made by the Calculation Agent taking into account the adjustments of the Derivatives linked to the Underlying actually performed by the Determining Futures Exchange and the remaining term of the Securities as well as the latest available price of the Underlying. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange, no adjustments are made to the Derivatives linked to the Underlying, the Terms and Conditions

of these Securities will regularly remain unchanged. The adjusted method for the calculation or, respectively, specification of the Redemption Amount, the adjusted Ratio and the time of its initial application will be published in accordance with § 6 of the General Conditions.

- (3) *Replacement Reference Market:* In the event of
- (a) a final discontinuation of the trading in the Underlying at the Reference Market,
 - (b) a material change of the market conditions at the Reference Market or
 - (c) a material limitation of the liquidity of the Underlying at the Reference Market,

with the trading in the same commodity being continued on another market without restrictions, the Calculation Agent in its reasonable discretion (§ 315 BGB) shall determine that such other market will be used in the future as Reference Market (the "**Replacement Reference Market**"). If necessary, the Calculation Agent, moreover, will make further adjustments to the Terms and Conditions of these Securities (in particular to the Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities in order to account for any difference in the method of price determination and the trading conditions applicable to the Underlying on the Replacement Reference Market (in particular in terms of the quality, the quantity and the currency of trading) (together the "**New Relevant Trading Conditions**"), as compared to the original Relevant Trading Conditions. The Replacement Reference Market and the performed adjustments and the time that it is first applied will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Reference Market, any reference to the substituted Reference Market in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Reference Market.

[In the case of Open End Compo Securities, the following applies:

§ 9

New Fixing Sponsor, Replacement Exchange Rate

- (1) *New Fixing Sponsor:* In the event that the FX Exchange Rate is no longer determined and published by the Fixing Sponsor, 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 initial application shall be published in accordance with § 6 of the General Conditions. In this case each and every reference to the substituted Fixing Sponsor in the Terms and Conditions of these Securities shall be deemed to refer to the New Fixing Sponsor.
- (2) *Replacement Exchange Rate:* In the event that FX Exchange Rate is no longer determined and published, the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of a FX Exchange Rate 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 initial application shall be published in accordance with § 6 of the General Conditions. In this case each and every reference to the substituted FX Exchange Rate in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Exchange Rate.]]

[Option 3: In the case of Securities linked to a futures contract as Underlying, the following applies:]

§ 1

Definitions

"**Adjustment Event**" means any changes in the Contract Specifications of the Underlying that lead to a situation where, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, as a result of the change, the changed contract specifications are no longer economically equivalent to the Contract Specifications prior to the change.

[In the case of Securities where the Specified Currency is the Euro, the following applies:]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) (the "**TARGET2**") are open for business.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:]

"**Banking Day**" means each day (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Banking Day Financial Centre.

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

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

"**Calculation Date**" means each day on which the Reference Price is published by the Reference Market.

"**Call Date**" means the Call Date as defined in § 5 (2) of the Special Conditions.

[In the case of Open End Securities, the following applies:]

"**Call Event**" means Commodity Call Event.]

[In the case of Open End Quanto Securities, the following applies:]

"**Call Event**" means Commodity Call Event.]

[In the case of Open End Compo Securities, the following applies:]

"**Call Event**" means 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 regulations) or
- (b) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax or financial supervisory authorities),

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

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

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

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

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

[In the case of Securities with CBF as Clearing System, the following applies:

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

[In the case of Securities with Euroclear France as Clearing System, the following applies:

"**Clearing System**" means Euroclear France SA ("**Euroclear France**").]

[In the case of Securities with another Clearing System, the following applies:

"**Clearing System**" means [Insert other Clearing System(s)].]

"**Determining Futures Exchange**" means the futures exchange, on which respective derivatives on the Underlying (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, such as final discontinuation of derivatives' quotation in respect of the derivatives on the Underlying at the Determining Futures 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 specify another futures exchange as the relevant futures exchange (the "**Substitute Futures Exchange**"). In the event of such a substitution, any reference in the Terms and Conditions of these Securities to the Determining Futures Exchange shall be deemed to refer to the Substitute Futures Exchange.

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

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

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

[In the case of Open End Compo Securities, the following applies:

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

"**FX**" means the official fixing of the FX Exchange Rate as published by the Fixing Sponsor on the FX Screen Page (or any replacement page).

"FX Calculation Date" means each day on which FX is published by the Fixing Sponsor.

"FX Call Event" means each of the following events:

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

[If the base currency of the FX Exchange Rate displayed on the FX Screen Page is the same as the Specified Currency, the following applies:]

"FX Exchange Rate" means the currency exchange rate for the conversion of the Specified Currency into the Underlying Currency.]

[If the base currency of the FX Exchange Rate displayed on the FX Screen Page is not the same as the Underlying Currency, the following applies:]

"FX Exchange Rate" means the currency exchange rate for the conversion of the Underlying Currency into the Specified Currency.]

"FX (final)" means FX on the FX Valuation Date.

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

- (a) the failure to publish the FX by the Fixing Sponsor;
- (b) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted as a part of FX (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate;
- (c) any other events with commercial effects which are similar to the events listed above;

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

"FX Valuation Date" means the FX Valuation Date immediately following the respective Valuation Date.

"FX Screen Page" means the FX Screen Page as specified in § 1 of the Product and Underlying Data.]

["Hedging Disruption" means that the Issuer is not able to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion (§ 315 BGB) of the Issuer are needed in order to hedge price risks or other risks with regard to obligations under the Securities or
 - (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively,
- under conditions which are economically substantially equal 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 Trading Date in order to

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which in the reasonable discretion of the Issuer (§ 315 BGB) are needed in order to hedge price risks or other risks with regard to obligations under the Securities or
- (b) realise, reclaim or pass on proceeds from such transactions or assets, respectively, with increased costs due to a deterioration of the creditworthiness of the Issuer not to be considered as Increased Costs of Hedging.]

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

[In the case of an Issuing Agent, the following applies:

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

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Management Fee Adjustment, the following applies:

"**Management Fee Adjustment**" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Management Fee (t)}}{365,25}$$

Where:

"**n**" means the number of calendar days (t) from the First Trading Date (including) to the relevant Valuation Date (including).

"**Reference Price (t-1)**" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"**Management Fee**" means the Management Fee as specified [in the column "Management Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

[The Calculation Agent may reduce but not increase the Management Fee at any time during the term of the Securities. Such reduction shall be notified pursuant to § 6 of the General Conditions.]

"**Management Fee (t)**" means the Management Fee applicable on the relevant calendar day (t).]

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

- (a) the suspension or the restriction of trading or the price determination of the Underlying on the Reference Market or
- (b) the suspension or restriction of trading in a Derivative linked to the Underlying on the Determining Futures Exchange

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 Reference Market or, as the case may be, the Determining Futures Exchange shall not constitute a Market Disruption Event provided that the restriction

is due to a previously announced change in the rules of the Reference Market or, as the case may be, the Determining Futures Exchange.

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Quanto Fee Adjustment, the following applies:

"Maximum Quanto Fee" means the Maximum Quanto Fee [as specified in the column "Maximum Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

"Maximum Transaction Fee" means the Maximum Transaction Fee as specified [in the column "Maximum Transaction Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.]

"Participation Factor Current" means 100%. After each RollOver-Date the Participation Factor Current shall be replaced by the relevant Participation Factor New. Hence, after each RollOver-Date any reference to the Participation Factor Current in these Terms and Conditions shall be deemed to refer to the relevant Participation Factor New.

"Participation Factor New" is calculated by the Calculation Agent on each Roll Over Date as follows:

Participation Factor New = (1 – Transaction Fee) x Reference Price (Roll Over) / Reference Price New (Roll Over) x Participation Factor Current

The Participation Factor New shall be rounded to six decimals, with 0.0000005 being rounded upwards.

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

[In the case of Securities where the method for the calculation of the Redemption Amount provides for a Quanto Fee Adjustment, the following applies:

"Quanto Fee Adjustment" means an amount in the Underlying Currency, which is calculated by the Calculation Agent on the respective Valuation Date for each calendar day (t) within the period from the First Trade Date (including) to the respective Valuation Date (including) as follows:

$$\sum_{t=1}^n \text{Reference Price (t-1)} \times \frac{\text{Quanto Fee (t)}}{365,25}$$

Where:

"n" means the number of calendar days (t) from the First Trading Date (including) to the relevant Valuation Date (including).

"Reference Price (t-1)" means the Reference Price which is published one Calculation Date prior to the calendar day (t).

"Quanto Element" means the conversion of the Redemption Amount from the Underlying Currency into the Specified Currency with a conversion factor of 1:1.

"Quanto Fee" means the Quanto Fee as specified [in the column "Quanto Fee in %" in Table [●]] in § 1 of the Product and Underlying Data.

The Calculation Agent will, in the case of not only immaterial changes in the market conditions for currency exchange rate protection transactions (e.g. difference in interest rates between the Underlying Currency and the Specified Currency, the volatility of the Underlying, the volatility of the currency exchange rate between the Underlying Currency and the

Specified Currency, the correlation between the Underlying and the Underlying Currency, and such other factors), adjust the Quanto Fee to such changed market conditions. The extent of the adjustment is determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) based on the extent of the changes in the relevant market conditions. The Quanto Fee shall not exceed the Maximum Quanto Fee (including). If the adjustment to changed market conditions would, in the reasonable discretion (§ 315 BGB) of the Calculation Agent, lead to a Quanto Fee lying above the Maximum Quanto Fee, the Issuer shall be entitled to terminate the Securities pursuant to § 5 (3) of the Special Conditions at the Cancellation Amount. The Issuer will provide notice of such adjustment or termination pursuant to § 6 of the General Conditions.

"Quanto Fee (t)" means the Quanto Fee applicable on the relevant calendar day (t).]

"Ratio" means the Ratio as specified [in the column "Ratio" in Table [●]] in § 1 of the Product and Underlying Data.

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

"Redemption Date" means the Redemption Date as defined in § 5 (1) of the Special Conditions.

"Redemption Right" means the Redemption Right as defined in § 5 (1) of the Special Conditions.

"Reference Market" means the Reference Market as specified [in the column "Reference Market" in Table [●]] in § 2 of the Product- and Underlying Data.

"Reference Price" means the Reference Price of the Underlying as specified [in the column "Reference Price" in Table [●]] in § 1 of the Product and Underlying Data, as published by the Reference Market and converted into the default unit of the Underlying Currency.

"Reference Price New" means the Reference Price of the New Underlying as specified [in the column "Reference Price" in Table [●]] in § 1 of the Product Data, as published on the Reference Market and converted into the default unit of the Underlying Currency.

"Reference Price (Roll Over)" means the Reference Price at the relevant Roll Over Date.

"Reference Price New (Roll Over)" means the Reference Price New at the relevant Roll Over Date.

"Regular Call Right" means the Regular Call Right as defined in § 5 (2) of the Special Conditions.

"Relevant Reference Price" means the Reference Price on the respective Valuation Date.

"Roll Over Date" means a Calculation Date as determined by the Calculation Agent in its reasonable discretion (§ 315 BGB), which is at least ten Calculation Dates prior to:

In the case of Securities where the Reference Market of the Underlying is the Chicago Board of Trade, the Chicago Mercantile Exchange, the Intercontinental Exchange or the New York Mercantile Exchange: the first notice day of the relevant Underlying as published on the respective website of the Reference Market (as specified [in the column "Website" in Table [●]] in § 2 of the Product Data (or any successor website));

In the case of Securities where the Reference Market of the Underlying is the London Metal Exchange: the second business day preceding the monthly prompt date (as defined in the relevant Contract Specifications of the Underlying) of the respective delivery month of the Underlying.

The determination of the relevant Roll Over Date will be published according to § 6 of the General Conditions.

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

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

"**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).

"**Transaction Fee**" means a fee, expressed in per cent., as determined by the Calculation Agent at each Roll Over Date in its reasonable discretion (§ 315 BGB) under consideration of the then current market conditions for transactions in commodity futures contracts (e.g. transaction costs and other costs and fees, which are usually charged in relation to such transactions). At any time, the Transaction Fee will lie in a range of 0% (including) and a maximum of 0,5% (including).

"**Underlying**" means the Underlying as specified [in the column "Underlying" in Table [●]] in § 1 of the Product and Underlying Data. On each Roll Over Date, the expiring Underlying will be "rolled" (the "**Roll Over**") into the futures contract, traded on the Reference Market, with the immediately following delivery month (the "**New Underlying**"). The price difference between the Underlying and the New Underlying (*contango* or *backwardation*) will be compensated by adjusting the participation factor. After each Roll Over Date, any reference in the Terms and Conditions of these Securities to the Underlying shall be deemed to refer to the respective New Underlying.

"**Underlying Currency**" means the Underlying Currency as specified [in the column "Underlying Currency" in Table [●]] in § 2 of the Product and Underlying Data.

"**Valuation Date**" means the [*Insert number*] Banking Day prior to each Redemption Date and each Call Date. If such day is not a Calculation Date, the immediately following Banking Day, which is a Calculation Date, shall be the respective Valuation Date. The respective Redemption Date or the respective Call Date will be postponed accordingly. Interest shall not be payable due to such postponement.

"**Website for Notices**" means the Website for Notices as specified in § 1 of the Product and Underlying Data (and any successor website).

"**Website of the Issuer**" means the Website of the Issuer as specified in § 1 of the Product and Underlying Data (and any successor website).

§ 2

Interest

[In the case of non-interest bearing Securities, the following applies:]

The Securities do not bear interest.]

[In the case of interest bearing Securities, the following applies:]

- (1) *Interest:* The Security Holders may demand payment of the Interest Amount at each Interest Payment Date.

"**Interest Payment Date**" means each day which falls [*Insert relevant Period*] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the

[*Insert relevant date*]. The final Interest Payment Date shall be the Redemption Date in relation to which the respective Security Holder exercises its Redemption Right or the Call Date in relation to which the Issuer exercises its Regular Call Right, as the case may be.

- (2) *Interest Amount:* The "**Interest Amount**" will be calculated by the Calculation Agent, by multiplying the Coupon with the Day Count Fraction.

"**Coupon**" means [*Insert Coupon*].

"**Day Count Fraction**" means, in respect of the calculation of the Interest Amount on any Security for any period of time (the "**Calculation Period**") the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).

The Interest Amount shall be payable in arrear pursuant to the provisions in § 6 of the Special Conditions.]

§ 3

Redemption

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

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount for a Redemption Date and/or Call Date equals an amount in the Specified Currency, which is calculated or, respectively, specified by the Calculation Agent as follows:

[In the case of Open End Securities, the following applies:

Redemption Amount = max((Relevant Reference Price x Participation Factor Current) [- Management Fee Adjustment]; 0) x Ratio]

[In the case of Open End Quanto Securities, the following applies:

Redemption Amount = max((Relevant Reference Price x Participation Factor Current) - Quanto Fee Adjustment [- Management Fee Adjustment]; 0) x Ratio]

[In the case of Open End Compo Securities³, the following applies:

Redemption Amount = max((Relevant Reference Price x Participation Factor Current) [- Management Fee Adjustment]; 0) x Ratio / FX (final)]

[In the case of Open End Compo Securities⁴, the following applies:

Redemption Amount = max((Relevant Reference Price x Participation Factor Current) [- Management Fee Adjustment]; 0) x Ratio x FX (final)]

³ If the base currency of the FX Exchange Rate displayed on the Screen Page is the same as the Specified Currency

⁴ If the base currency of the FX Exchange Rate displayed on the Screen Page is unequal to the Specified Currency

The method of calculation or, respectively, specification of the Redemption Amount is subject to adjustments and market disruptions pursuant to § 7[,] [and] § 8 [and § 9] of the Special Conditions.

§ 5

Redemption Right of the Security Holders, Issuer's Regular Call Right, Issuer's Extraordinary Call Right

- (1) *Redemption Right of the Security Holders:* Each Security Holder may demand redemption of the Securities pursuant to the provisions of § 4 (1) of the Special Conditions against delivery of the Securities to the account of the Principal Paying Agent No. [Insert account number] with the Clearing System to the Issuer's order (the "**Redemption Right**") at the last Banking Day of the month of [Insert month(s)] of each year starting on the First Redemption Date (each such date a "**Redemption Date**").

The exercise of the Redemption Right shall be declared by the Security Holder by transmission of a duly completed form (the "**Redemption Notice**"), available at the offices of the Issuer during normal business hours, to the Issuer at least [Insert notice period] Banking Days prior to the designated Redemption Date.

The Redemption Notice shall include in particular:

- (a) the name and the address of the Security Holder, with sufficiently conclusive proof of ownership to the Principal Paying Agent that such Security Holder at the time of such notice is a holder of the respective Securities;
- (b) the security identification number and the number of Securities in relation to which the Redemption Right shall be exercised;
- (c) the cash account held by a bank to which the Redemption Amount is to be transferred.

If the number of Securities stated in the Redemption Notice deviates from the number of Securities transferred to the Principal Paying Agent, the Redemption Notice shall be deemed to have been submitted for the number of Securities corresponding to the smaller of the two numbers. Any remaining Securities are transferred back to the Security Holder at the latter's expense and risk.

No Redemption Right so exercised may be revoked or withdrawn.

- (2) *Issuer's Regular Call Right:* The Issuer may at the last Banking Day of the month of [Insert month(s)] of each year starting on the First Call Date (each such date a "**Call Date**") call the Securities completely but not partially (the "**Regular Call Right**") and redeem them pursuant to § 4 (1) of the Special Conditions.

The Issuer shall give notice of such call at least [Insert notice period] prior to the relevant Call Date pursuant to § 6 of the General Conditions. Such notice shall be irrevocable and shall specify the relevant Call Date.

The Redemption Right of the Security Holders remains unaffected until the last Redemption Date immediately preceding the Call Date.

- (3) *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 to redeem the Securities at their Cancellation Amount. Such call shall become effective at the time of the notice pursuant to § 6 of the General Conditions or at the time indicated in the notice, as the case may be.

The "**Cancellation Amount**" shall be the reasonable market value of the Securities determined by the Calculation Agent in its reasonable discretion (§ 315 BGB) within ten Banking Days before the extraordinary call becomes effective.

The Cancellation Amount will be paid five Banking Days following the date of the above mentioned notice, or at the date specified in such notice, as the case may be, pursuant to the provisions of § 6 of the Special Conditions.

§ 6

Payments

[In the case of Securities where the Specified Currency is the Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.]

[In the case of Securities where the Specified Currency is not the Euro, the following applies:]

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the smallest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.]
- (2) *Business day convention:* If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day then the Security Holders shall not be entitled to payment until the next following Banking Day. The Security Holders shall not be entitled to further interest or other payments in respect of such delay.
- (3) *Manner of payment, discharge:* All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and 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 any payment under the Securities when due, accrual of interest on due amounts continues 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 payment (including).

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

- (5) Payments of the Interest Amounts on the Securities represented by a Temporary Global Note shall be made only upon delivery of the Non-U.S. Beneficial Ownership Certificates (as described in § 1 of the General Conditions) by the relevant participants to the Clearing System.]

§ 7

Market Disruptions

- (1) *Postponement:* Notwithstanding the provisions of § 8 of the Special Conditions, if a Market Disruption Event occurs on a Valuation Date, the respective Valuation Date will be postponed to the next following Calculation Date on which the Market Disruption Event no longer exists. [If a FX Market Disruption Event occurs on

a FX Valuation Date, the respective FX Valuation 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 Valuation Date [or FX Valuation Date, as the case may be,] shall be postponed accordingly if applicable. No interest is due because of 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 determine 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 around [insert time and financial centre] on the [insert number of the following Banking Day]th Banking Day, taking into account the economic position of the Security Holders.

If within these [insert number of Banking Days] Banking Days traded Derivatives linked to the Underlying expire and are paid on the Determining Futures Exchange, the settlement price established by the Determining Futures Exchange for the there traded Derivatives will be taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the relevant Valuation Date.

§ 8

Contract Specifications, Adjustments, Replacement Underlying, Replacement Reference Market

- (1) *Contract Specifications:* The basis for the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall be the Underlying under consideration of
- (a) the method of price determination,
 - (b) the trading conditions (in particular in terms of the quality, the quantity and the currency of trading),
 - (c) the delivery month and
 - (d) other value determining factors,
- applicable on the Reference Market in respect of the Underlying (together the "**Contract Specifications**"), 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 Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Calculation Agent pursuant to the Terms and Conditions of these Securities, etc.) and/or all prices of the Underlying 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 made by the Calculation Agent taking into account the adjustments of the Derivatives linked to the Underlying actually performed by the Determining Futures Exchange and the remaining term of the Securities as well as the latest available price of the Underlying. If the Calculation

Agent determines that, pursuant to the rules of the Determining Futures Exchange, no adjustments are made to the Derivatives linked to the Underlying, the Terms and Conditions of these Securities will regularly remain unchanged. The adjusted method for the calculation or, respectively, specification of the Redemption Amount, the adjusted Ratio and the time of its initial application will be published in accordance with § 6 of the General Conditions.

- (3) *Replacement Reference Market:* In the event of
- (a) a final discontinuation of the trading in the Underlying at the Reference Market,
 - (b) a material change of the market conditions at the Reference Market or
 - (c) a material limitation of the liquidity of the Underlying at the Reference Market,

with the trading being continued in another futures contract linked to the same commodity as the underlying on another market without restrictions, the Calculation Agent in its reasonable discretion (§ 315 BGB) shall determine that such other futures contract (the "**Replacement Underlying**") and such other market will be used in the future as Reference Market (the "**Replacement Reference Market**"). If necessary, the Calculation Agent, moreover, will make further adjustments to the Terms and Conditions of these Securities (in particular to the Underlying, the Ratio and/or all prices of the Underlying, which have been specified by the Issuer) and/or all prices of the Underlying determined by the Calculation Agent pursuant to the Terms and Conditions of these Securities to account for any difference in the method of price determination and the trading conditions applicable to the Replacement Underlying on the Replacement Reference Market (in particular in terms of the quality, the quantity, the currency of trading and the delivery month) (together the "**New Relevant Trading Conditions**"), as compared to the original Relevant Trading Conditions. The Replacement Underlying, the Replacement Reference Market, the performed adjustments and the time that it is first applied will be published in accordance with § 6 of the General Conditions. Commencing with the first application of the Replacement Underlying and the Replacement Reference Market, any reference to the substituted Underlying and to the substituted Reference Market in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Underlying and Replacement Reference Market.

[In the case of Open End Compo Securities, the following applies:

§ 9

New Fixing Sponsor, Replacement Exchange Rate

- (1) *New Fixing Sponsor:* In the event that the FX Exchange Rate is no longer determined and published by the Fixing Sponsor, 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 initial application shall be published in accordance with § 6 of the General Conditions. . In this case each and every reference to the substituted Fixing Sponsor in the Terms and Conditions of these Securities shall be deemed to refer to the New Fixing Sponsor.
- (2) *Replacement Exchange Rate:* In the event that FX Exchange Rate is no longer determined and published, the calculations or, respectively, specifications of the Calculation Agent described in the Terms and Conditions of these Securities shall occur on the basis of a FX Exchange Rate 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 initial application shall be published in accordance with § 6 of the General Conditions. In this case each and every reference to the substituted FX Exchange Rate in the Terms and Conditions of these Securities shall be deemed to refer to the Replacement Exchange Rate.]]

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 128 et seq.

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, as amended (the "**Prospectus Directive**") in connection with Section 6 para. 3 of the German Securities Prospectus Act, as amended (Wertpapierprospektgesetz, the "**WpPG**"). In order to get the full information the Final Terms are to be read together with the information contained in (a) the base prospectus of UniCredit Bank AG (the "**Issuer**") dated 4 August 2014 for the issuance of Open End Securities (the "**Base Prospectus**"), (b) any supplements to this Base Prospectus according to Section 16 WpPG (the "**Supplements**") and (c) the registration document of the Issuer dated 25 April 2014 (the "**Registration Document**"), whose information is incorporated herein by reference.*

*The Base Prospectus, any Supplements and these Final Terms are available on [*Insert website[s]*] or any successor website thereof in accordance with Section 14 WpPG.*

[In case of Securities offered or admitted to trading for the first time before the date of the Base Prospectus (including the increase of these Securities) 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 20 August 2013 for the issuance of Open End Securities which are incorporated by reference into the Base Prospectus.]

An issue specific summary is annexed to these Final Terms.

SECTION A – GENERAL INFORMATION

Issue date and issue price:

[*Insert issue date*]⁵

[The issue date for each Security is specified in § 1 of the Product and Underlying Data.]

⁵ In the case of multi series issuances the issue dates of each series may be included in tabular form.

[*Insert issue price*]⁶

[The issue price per Security is specified in § 1 of the Product and Underlying Data.]

[The issue price per Security will be specified on [*Insert date*]. The issue price and the on-going offer price of the Securities will be published [on the websites of the stock exchanges where the Securities will be traded] [on [*Insert website*] (or any successor website)] after its specification.]

Selling concession:

[Not applicable] [*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:

[Open End Securities]

[Open End Quanto Securities]

[Open End Compo 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)*].]

[*In the case of Securities that are listed with [*Insert relevant regulated or unregulated 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 relevant regulated or unregulated 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 unregulated 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 equivalent markets*]]

⁶ In the case of multi series issuances the issue prices of each series may be included in tabular form.

[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.]

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 and Luxembourg a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

Terms and conditions of the offer:

[Day of the first public offer: *[Insert the day of the first public offer]*.]

[Start of the new offer: *[Insert Start of the new public offer]* [(continuance of the public offer of previously issued securities)] [(increase of previously issued securities)].]

[A public offer will be made in [France][,] [and] [Italy] [and] [Luxembourg].]

[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 an organised market.]

[Application to listing [has been] [will be] made as of *[Insert expected date]* on the following markets: *[Insert relevant market(s)]*.]

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]] [for a period of twelve (12) months after [Insert the date on which the Final Terms have been filed with the BaFin]] [during the period the Base Prospectus is valid pursuant to Section 9 WpPG].

General consent for the subsequent resale or final placement of Securities by the financial intermediary[y][ies] is given in relation to [France][,] [and] [Italy][,] [and] [Luxembourg].]

[In the case of an individual consent the following applies:

The Issuer consents to the use of the Base Prospectus by the following financial intermediaries (so-called individual consent):

[Insert name(s) and address(es)].

Such consent to use the Base Prospectus is given for the following period: [Insert period].

Individual consent for the subsequent resale or final placement of the Securities by the financial intermediary[y][ies] is given in relation to [France][,] [and] [Italy][,] [and] [Luxembourg] to [Insert name[s] and address[es]] [[Insert details]].]

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

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

Besides, the consent is not subject to any other conditions.]

[Not applicable. No consent is given.]

US Selling Restrictions:

[TEFRA C]

[TEFRA D]

[Neither TEFRA C nor TEFRA D]⁷

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

[With regard to trading of the Securities the Issuer has a conflict of interest being also the Market Maker on the [Insert relevant regulated or (an) unregulated market(s)]; [moreover] [[T][t]he [Insert relevant regulated or (an) unregulated market(s)] is organized and managed by [Insert name], a

⁷ 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).

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.]

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>
Custody:	[CBF] [CBL and Euroclear Bank] [Euroclear France] <i>[Other]</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

TAXATION

The Issuer does not assume any responsibility for the withholding of taxes at the source.

Germany

This Base Prospectus contains a general discussion of certain German tax consequences of the acquisition, the holding and the sale, as well as the assignment or redemption of Securities. It does not purport to be a comprehensive description of all tax considerations, which may be relevant to a decision to purchase Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

With regard to certain types of Securities, neither official statements of the tax authorities nor court decisions exist, and it is not clear how these Securities will be treated. Furthermore, there is often no consistent view in legal literature about the tax treatment of instruments like the Securities, and it is neither intended nor possible to mention all different views in the following section. Where reference is made to statements of the tax authorities, it should be noted that the tax authorities may change their view even with retroactive effect and that the tax courts are not bound by circulars of the tax authorities and, therefore, may take a different view. Even if court decisions exist with regard to certain types of securities, it is not certain that the same reasoning will apply to the Securities due to certain peculiarities of such Securities. Furthermore, the tax authorities may restrict the application of judgements of tax courts to the individual case with regard to which the judgement was rendered.

Prospective purchasers of Securities are advised to consult their own tax advisors as to the tax consequences of the acquisition, holding and the sale, as well as the assignment or redemption of Securities, also regarding the effect of any state or local taxes, under the tax laws of Germany and each country of which they are tax residents. Only these advisers will be able to take into account appropriately the details relevant to the taxation of the respective Security Holders.

German Tax Residents

Private Investors

Interest Income and Capital Gains

Interest payable on the Securities to persons tax resident in Germany (i.e. persons whose residence or habitual abode is located in Germany) and holding the Securities as private assets ("**Private Investors**") should qualify as income from capital investments (*Einkünfte aus Kapitalvermögen*) according to Sec. 20 para. 1 German Income Tax Act (*Einkommensteuergesetz*) and should, in general, be taxed at a separate tax rate of 25 per cent. (*Kapitalertragsteuer*), in the following also referred to as "**Withholding Tax**") plus 5.5 per cent. (total of 26.375 per cent.). solidarity surcharge thereon and, if applicable, church tax. Capital gains from the sale, assignment or redemption of the Securities, including interest having accrued up to the disposition of a Security and credited separately ("**Accrued Interest**", *Stückzinsen*, if any) should qualify – irrespective of any holding period – as income from capital investment pursuant to Sec. 20 para. 2 German Income Tax Act and should also be taxed with Withholding Tax (26.375 per cent., incl. solidarity surcharge thereon) and, if applicable, church tax. If the Securities are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than being sold, such transaction is generally treated like a sale and having the same tax consequences. In order to determine

the capital gains or capital losses, respectively, from such assignment, redemption, repayment or contribution the following tax consequences outlined for capital gains from the sale apply accordingly.

Capital gains are determined by the differential amount between the sale price (after the deduction of expenses directly and functionally related to the sale) and the acquisition costs of the Securities. In case the Securities are issued in a currency other than Euro the sale price and the acquisition costs have to be converted into Euro on basis of the foreign exchange rates prevailing on the acquisition date and the sale date, respectively.

Except for expenses directly and functionally related to the sale, expenses related to interest payments or capital gains under the Securities (other than such expenses directly and functionally related to the sale) are not deductible except for a standard lump sum (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for married couples or registered civil partnerships (*eingetragene Lebenspartnerschaft*) filing jointly).

Due to the Withholding Tax regime losses from the sale of the Securities can only be set-off against other income from capital investments including capital gains. If a set-off is not possible in the assessment period in which the losses have been realised, such losses can only be carried forward into future assessment periods and can be set-off against income from capital investments including capital gains generated in these future assessment periods.

Furthermore, the German Federal Ministry of Finance (*Bundesfinanzministerium*) takes the view in its decree dated 9 October 2012 (IV C 1 – S 2252/10/10013 BStBl. I 2012 p. 953, hereinafter referred to as "**Decree**") that a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) shall, in general, not be treated as a sale to the extent it is not considered a hidden contribution in a corporation. As a result losses suffered from such bad debt loss or waiver are not deductible for tax purposes. In this regard, it is not certain whether the position of the tax authorities may affect securities (*Wertpapiere*) which are linked to a reference value in case such value decreases. In addition, the Decree does not assume a sale (or similar transaction in case no payment occurs at final maturity) on capital claims with several payment dates, if on maturity or, due to the fact that a certain range is exceeded, no payment is made.

Furthermore, restrictions with respect to the claiming of losses may also apply if certain types of Securities would have to be qualified as derivative transactions and expire worthless. Moreover, according to the Decree the German Federal Ministry of Finance takes the view that a disposal (*Veräußerung*) (and, as a consequence, a tax loss resulting from such disposal) shall not be recognized if the sale price does not exceed the actual transaction cost.

Withholding Tax

If the Securities are held in custody with or administrated by a German credit institution, financial services institution (including a German permanent establishment of such foreign institution), securities trading company or securities trading bank (the "**Disbursing Agent**"), the Withholding Tax at a rate of 26.375 per cent. (incl. 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be withheld by the Disbursing Agent on interest payments and the excess of the proceeds from the sale (after the deduction of expenses incurred directly and functionally in connection with the sale) over the acquisition costs for the Securities.

To the extent the investor is subject to church tax, such church tax is levied as surcharge on the Withholding Tax. In this connection Withholding Tax reduces of 25% of the church tax applicable on the taxable income on capital investments. Until 2014 the Disbursing Agent only deducts church tax upon written application of the investor. If the investor does not apply for such church tax deduction, he is assessed with his income on capital investments in order to be able to levy church tax. Starting 2015 the deduction of church tax generally will happen on basis of an annual automatic data exchange of the religious confession between the banks and the German Federal Central Tax Office

(*Bundeszentralamt für Steuern*) (initial data exchange in 2014), i.e. without application of the taxpayer. Investors subject to church tax do have the possibility to object such data exchange on the religious confession by official form directed to the German Federal Central Tax Office (declaration on restricting note – “*Erklärung zum Sperrvermerk*”). In the latter case church tax will be levied by way of assessment.

In general, no Withholding Tax will be levied if the Security Holder filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent (in the maximum amount of the standard lump sum of EUR 801 (EUR 1,602 for married couples and registered civil partnerships filing jointly)) to the extent the income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no Withholding Tax will be deducted if the Security Holder submitted a valid certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office to the Disbursing Agent.

The Issuer is, in general, not obliged to levy German withholding tax in respect of payment on the Securities.

The Disbursing Agent will provide for the set-off of losses with current income from capital investments including capital gains from other securities. If a set-off is not possible due to the absence of sufficient current income from capital investments derived through the same Disbursing Agent the Security Holder may file an application with the Disbursing Agent until 15 December of the current fiscal year for a certification of losses in order to set-off such losses with income from capital investments derived through other institutions in the holder's personal income tax return, instead of having a loss carried forward into the following year. If custody has changed since the acquisition and the data relating to the acquisition is not proved as required by Sec. 43a para. 2 German Income Tax Act or not relevant, the Withholding Tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) will be imposed on an amount equal to 30 per cent. of the proceeds from the sale of the Securities. In the course of the tax withholding provided for by the Disbursing Agent foreign taxes may be credited in accordance with the German Income Tax Act. Taxes withheld on the basis of the EU Savings Directive (for further details see below "EU Savings Directive") may be credited in the course of the tax assessment procedure.

For Private Investors the Withholding Tax withheld and paid to the tax office is, in general, definitive. Exceptions apply if and to the extent the actual income from capital investments exceeds the amount determined as the basis for the withholding of the Withholding Tax by the Disbursing Agent. In such a case, the exceeding amount of income from capital investments must be included in the Private Investor's income tax return and will be subject to the Withholding Tax in the course of the assessment procedure. According to the Decree of the German Federal Ministry of Finance, however, any exceeding amount of not more than EUR 500 per assessment period will not be subject to assessment due to equity reasons, provided that no further reasons for an assessment according to Sec. 32d para. 3 German Income Tax Act exist. Furthermore, Private Investors may request that their total income from capital investments becomes subject to taxation at their personal progressive tax rate together with their other income rather than the Withholding Tax rate, if this results in a lower tax liability. In order to prove such income from capital investments and the withheld Withholding Tax thereon the Private Investor may request a respective certificate in officially required form from the Disbursing Agent.

Investment income not having been subject to the withholding of the Withholding Tax (e.g. since there is no Disbursing Agent) must be included into the personal income tax return and will be subject to the Withholding Tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax), unless the investor requests the income from capital investments to be subject to taxation at the lower personal, progressive income tax rate.

In the course of the assessment procedure withholding tax in accordance with the German Interest Information Regulation (*Zinsinformationsverordnung*) levied on the basis of the EU Savings Directive (for further details see below "EU Savings Directive") and foreign taxes on investment income may be credited to the income tax in accordance with the German Income Tax Act.

Investors holding the Securities as business assets ("Business Investors")

Interest and capital gains, including Accrued Interest, if any, from the sale, assignment or redemption of the Securities payable under the Securities to persons tax resident in Germany (i.e. Business Investors whose residence, habitual abode, statutory seat or place of effective management and control is located in Germany) holding the Securities as business assets ("**Business investors**") are subject to income tax at the applicable personal progressive income tax rate or, in case of corporate entities, to corporate income tax at a uniform tax rate of 15 per cent. (in each case plus solidarity surcharge at a rate of 5.5 per cent. on the tax payable; and plus church tax, if applicable, in case payments of interest on the Securities to Business Investors are subject to income tax). Such interest payments and capital gains may also be subject to trade tax if the Securities form part of the property of a German trade or business. Losses from the sale, assignment or redemption of the Securities are generally recognized for tax purposes; this may be different if certain (e.g. index linked) Securities would have to be qualified as derivative transactions.

Domestic withholding tax including solidarity surcharge thereon, if any, is credited upon presentation of the respective tax statement as a prepayment against the Business Investor's corporate or personal income tax liability and solidarity surcharge in the course of the tax assessment procedure, i.e. the withholding tax is not definitive. Any potential surplus will be refunded. However, in general and subject to further requirements no withholding deduction will apply on capital gains from the sale of the Securities and certain other income if (i) the Securities are held by a corporation, association or estate in terms of Sec. 43 para. 2 sentence 3 no. 1 German Income Tax Act or (ii) the proceeds from the Securities qualify as income of a domestic business and the investor notifies the Disbursing Agent by use of the required official form according to Sec. 43 para. 2 sentence 3 no. 2 German Income Tax Act (*Erklärung zur Freistellung vom Kapitalertragsteuerabzug*).

Withholding tax levied on the basis of the EU Savings Directive (for further details see below "EU Savings Directive") may be credited in accordance with the German Interest Information Regulation and foreign taxes may be credited in accordance with the German Income Tax Act. Alternatively, foreign taxes may also be deducted from the tax base for German income tax purposes.

Non-tax residents

In case of non-tax residents (i.e., persons who are not tax resident in Germany), interest payable on the Securities and capital gains, including Accrued Interest, if any, are, in general, only subject to German taxation, if (i) the Securities form part of the business assets of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Security Holder; or (ii) the interest income otherwise constitutes limited liable income from a German source or (iii) certain formal requirements are not fulfilled. In the cases (i), (ii) and (iii) a tax regime similar to that explained above under "Tax Residents" applies.

Subject to certain exceptions, non-residents of Germany are exempt from German Withholding Tax and solidarity surcharge thereon, even if the Securities are held in custody with a Disbursing Agent. However, in case the income from capital investments is subject to German taxation as set forth in the preceding paragraph and Securities are held in a custodial account with a Disbursing Agent Withholding Tax is levied as explained above under "Tax Residents".

The withholding tax may be refunded or reduced based on an applicable tax treaty or German national tax law.

German Investment Tax Act

The German AIFM-Steueranpassungsgesetz came into force on 23 December 2013. It serves the purpose of adjusting the German Investment tax Act to the Capital Investment Code (*Kapitalanlagegesetzbuch*) which has been adopted in order to transpose the AIFM Directive into German law. However, please note that the German Investment Tax Act now contains a separate definition of investment fund and investment company (*Investitionsgesellschaft*). If the Securities would fall within this definition, different tax consequences than the ones described above may arise.

Inheritance and Gift Tax

In case of a gratuitous, inheritance or gift taxes with respect to a Security will arise under the laws of Germany, if, in the case of inheritance tax, the decedent or the beneficiary, or, in the case of gift tax, the donor or the donee, is a tax resident of Germany or such Security is attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Special rules apply to certain German expatriates. With decision dated 27 September 2012 the German Federal Financial Court (*Bundesfinanzhof*) requested from the German Federal Constitutional Court (*Bundesverfassungsgericht*) (File Number 1 BvL 21/12) a decision whether the German Inheritance and Gift Tax is in accordance with the German Constitution. Based on this, the tax authorities decided to only preliminarily assess inheritance and gift taxes until a final decision is made by the German Federal Constitutional Court.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery, execution or conversion of the Securities. Currently, net assets tax is not levied in Germany. On European level there are plans on introduction a European financial transaction tax in certain member states of the European Union. It is expected that Germany will be among them. According to the current discussion, such financial transaction tax would be levied on the acquisition and transfer of the Securities.

Adoption of the EU directive on taxation of savings income

Council's Directive 2003/48/EC (for further details see part "EU Savings Directive" hereinafter) has been adopted into national law in Germany in 2004 by the Interest Information Regulation (*Zinsinformationsverordnung*). Since 1 January 2005 Germany reports all interest payments in relation to the Securities and all comparable income in relation to the Securities to the home member state or the member state of the beneficial owner if the Securities are kept in custody at the Disbursing Agent.

Luxembourg

The following is a general description of the Luxembourg withholding taxation relating to the Securities. It does not purport to be a complete analysis of all tax considerations relating to the Securities, whether in Luxembourg or elsewhere. Prospective purchasers of the Securities should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Securities and receiving payments of interest, principal and/or other amounts under the Securities and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Base Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Securities.

Withholding Tax and Self-applied Tax

Under Luxembourg tax laws currently in effect, payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Securities can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, with the possible exception of payments made to (or under certain circumstances to the benefit of) individual Security Holders and certain so called “residual entities” (within the meaning of the European Union Savings Directive (Council Directive 2003/48/EC – the “**EU Savings Directive**”).

Luxembourg non-residents

Under the Luxembourg laws of 21 June 2005, as amended (the “**EUSD Laws**”) implementing the EU Savings Directive and several agreements concluded with certain dependent or associated territories (the “**Territories**”), in the event of the Issuer appointing a paying agent in Luxembourg (within the meaning of the EUSD Laws) the latter is required to withhold tax on interest and other similar income (including reimbursement premium received at maturity or Redemption Date) paid to certain non-Luxembourg resident investors (individuals and certain types of entities called “residual entities”) resident or established in another Member State of the European Union or in some of the Territories, unless the beneficiary of the interest payment elects for an exchange of information, or in case of an individual beneficiary, for a tax certificate procedure. For the application of the EUSD Laws, residual entities are defined as entities established in a Member State of the European Union or in certain Territories, which are not legal persons, whose profits are not taxed under the general arrangements for business taxation and that are not, and have not opted to be treated as UCITS (recognized in accordance with Council Directive 85/611/EEC, as amended or restated) or a similar collective investment fund).

As a general rule, instruments whose return is exclusively linked to profits derived from certain underlying investments such as commodities or indices are generally out of the scope of the EU Savings Directive. However, to the extent Securities bear a fixed interest component, this interest may fall within the scope of the EU Savings Directive.

The withholding tax rate is currently 35%. Responsibility for the withholding tax will be assumed by the Luxembourg paying agent. The withholding tax system will apply only during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Luxembourg government has announced its intention to abandon the withholding tax system and opt for the automatic exchange of information as from 1 January 2015. The necessary amending laws and regulations will need to be passed before that date.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented amend or broaden the scope of the requirements described above.

Luxembourg residents

The Luxembourg law of 23 December 2005, as amended, (the “**Law**”), has introduced a 10% withholding tax on savings income (i.e. with certain exemptions, savings income within the meaning of the EUSD Laws).

Under the Law, the 10% Luxembourg withholding tax is levied on interest or similar income payments made by Luxembourg paying agents to (or under certain circumstances to the benefit of) an individual beneficial owner who is resident in Luxembourg. The responsibility for the withholding tax will be assumed by the Luxembourg paying agent.

In addition, pursuant to the Law, Luxembourg resident individuals, acting in the context of the management of their private wealth, who are beneficial owners of interest payments made by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of

the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Directive on the taxation of savings income, can opt to self-declare and pay a 10% levy. The option for the 10% levy must cover all interest payments made by paying agents to the Luxembourg resident beneficial owners during the entire civil year.

The 10% withholding tax as described above or the 10% levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

US Tax Withholding and Reporting under FATCA

On 27 February 2014, Luxembourg and the United States have agreed on the substance of the future intergovernmental agreement.

Italian Republic

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, 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.

The following summary is rendered based upon the laws in force in Italy as of the date of this Base Prospectus.

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; 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 (as defined below), 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% or (ii) individual income tax (*imposta sul reddito delle persone fisiche*, "IRPEF"), at progressive rates, 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 3.5% (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 collective investment funds and SICAVs are considered as a taxable person for IRES purposes, though the income realised (with only few exceptions) is exempt from taxation.

Starting from 1 January 2001, Italian resident pension funds are subject to an 11% 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. Please note that for financial year 2014 only the tax rate of the Pension Fund Tax has been increased to 11.5%.

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.

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, not obtained within the exercise of entrepreneurial activities, realised by persons resident in Italy and individuals equivalent to residents as defined in the Decree No. 461, arising out of 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 out of

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 upon the sale for consideration or redemption of the Securities will be treated for the purpose of corporate income tax and of individual income tax 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, if 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.

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 persons upon the sale for consideration or redemption of the Securities would be subject to an "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. Capital losses realised before 1 January 2012 can be carried forward to offset capital gains for an overall amount of 48.08% of the relevant capital losses. Capital losses realised between 1 January 2012 and 30 June 2014 can be carried forward to offset capital gains for an overall amount of 76.92% of the relevant capital losses.

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. Under the Managed Portfolio regime, the Security Holder is not required to declare capital gains in its annual tax declaration and remains anonymous. Capital losses realised before 1 January 2012 can be carried forward to offset capital gains for an overall amount of 48.08% of the relevant capital losses.

Capital losses realised between 1 January 2012 and 30 June 2014 can be carried forward to offset capital gains for an overall amount of 76.92% of the relevant capital losses.

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 intermediary. Under the Asset Management regime, any depreciation of the managed assets accrued at year end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management regime, the Security Holder is not required to report capital gains realised in its annual tax declaration and remains anonymous. Depreciation of the management assets accrued before 1 January 2012 can be carried forward to offset increase in value for an overall amount of 48.08% of the relevant depreciation. Depreciation of the management assets accrued between 1 January 2012 and 30 June 2014 can be carried forward to offset increase in value for an overall amount of 76.92% of the relevant depreciation.

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 abroad 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 beneficial owners 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 they are 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". If non-Italian residents without a permanent establishment in Italy to which the Securities are effectively connected fall under the Managed Portfolio regime or the Asset Management regime, exemption from Italian capital gains tax will apply on the condition that they file an appropriate self-declaration within the relevant time limit with the authorised financial intermediary stating that they are resident in a country which allows an adequate exchange of information. Pursuant to Article 5, paragraph 5 of Decree No. 461 and Article 6, paragraph 1, of Decree No. 239, such exemption could apply also to non-Italian residents who are (a) international bodies and organizations established in accordance with international agreements ratified in Italy; (b) foreign institutional investors, even though not subject to income tax or to other similar taxes, established in countries which allow an adequate exchange of information with Italy and (c) Central Banks or entities also authorised to manage official reserves of a State. (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 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; in this case, if non-Italian residents without a permanent establishment in Italy to which the Securities are effectively connected fall under the Managed Portfolio regime or the Asset Management regime, exemption from Italian capital gains tax will apply on the condition that they file the appropriate documents within the relevant time limit with the authorised financial intermediary which include, inter alia, a statement from the competent tax authorities of the country of residence of the non-Italian residents.

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 mentioned above does not apply to payments made to a non-Italian resident Security Holder and to an Italian resident Security Holder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding 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 if the value exceeds 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 if the value exceeds 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 if the value of the transaction exceeds 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 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 individuals 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 on demand 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.

Savings Directive and tax information exchange

The 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 information exchange.

EU Savings Directive

Within the framework of the EU Council Directive 2003/48/EG dated 3. June 2003 in the field of the taxation of interest income (“**EU Savings Directive**”), every member state is obliged to provide information on details of interest payments or similar gains paid to a person of such member state to an individual person tax resident in another member state or received from the former on behalf of the latter to the financial authorities of the latter member state; during a transition period Austria and Luxembourg will apply a system of the provision of information where a withholding tax is withheld on payments to an economic owner (within the meaning of the EU Savings Directive) if the economic owner does not decide to submit himself to one of the two possible procedures of providing information. The foregoing applies if Austria and Luxembourg do not decide to opt for another possibility during the transition period. This withholding tax regime applies for the transition period in the course of which the withholding tax rate increased to 35%. The transition period will end at the end of the first full financial year after the approval of certain third countries on the provision of information with regard to the respective payments.

In addition, certain third countries, amongst them Switzerland, and certain dependant or associated regions of certain member states introduced similar measures (i.e. either providing information or withholding of withholding tax during the transition period) with respect to payments paid from a person resident in their territory to an individual person resident in a territory of a member state or received from the former on behalf of the latter. Furthermore, the member states concluded agreements with dependant or associated regions on the provision of information or the withholding of withholding taxes with respect to payments paid from a person resident in their territory to an

individual person resident in a territory of a member state or received from the former on behalf of the latter.

The EU Savings Directive is constantly subject to legislation, proposals for development and changes on political level as well as subject to the development of European law of the various European institutions which may have effect on the scope and the content of this regulation. In particular, the scope and the content may broaden with regard to new investment products and new information requirements may be introduced. For investors having doubts with regard to the specific consequences of the Directive on their personal situation it is recommended to consult with their personal tax adviser.

The proposed financial transactions tax

The EU Commission has published a proposal for a Directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**").

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Certificates (including secondary market transactions) under certain circumstances.

Under the current proposal the FTT could apply under certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Certificates where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the Participating Member States and is subject to legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective Certificateholders of the Certificates are advised to seek their own professional advice in relation to the FTT. The tax rates are planned to amount to 0.01% or 0.1%, respectively. However, please note that these may have cascade effects and therefore may multiply in a transaction.

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. In addition, however, Section 871(m) provides that in the case of payments made after 18 March 2012, a "dividend equivalent" payment includes a payment made pursuant to any NPC unless the Secretary of the Treasury otherwise determines that such contract does not have the potential for tax avoidance. On December 4, 2013, the U.S. Treasury Department and the IRS issued final regulations ("**Final Regulations**") and proposed regulations (the "**Proposed Regulations**") under Section 871(m). The Final Regulations extend the statutory definition of Specified NPC (which had previously been extended to payments made before January 1, 2014) to payments made before January 1, 2016.

With respect to payments made on or after January 1, 2016, however, the Proposed Regulations would significantly expand the scope of transactions to which Section 871(m) would apply. The Proposed Regulations would expand Section 871(m) to apply to payments made pursuant to a specified equity-linked instrument ("**Specified ELI**"), which generally would include any financial instruments (such as futures, forward contracts, and options), other than a securities lending or sale-repurchase transaction or an Specified NPC, that references the value of one or more underlying securities. In addition, under the Proposed Regulations, 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 0.70 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. The Proposed Regulations would provide an exception from treatment as an underlying security for certain "qualified indices", thus exempting an 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 six requirements, including requirements that it references 25 or more component underlying securities, contains no component underlying security representing more than 10 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. The Proposed Regulations generally would apply to any payments made on or after January 1, 2016. In the case of an Specified ELI, the Proposed Regulations would apply to payment made after January 1, 2016 on a Specified ELI acquired by the long party on or after March 5, 2014. If adopted, the Proposed Regulations could cause payments under the index-linked Securities or equity-linked Securities that may not be subject to withholding under current rules to be subject to a 30% U.S. withholding tax, or a reduced rate of tax under an applicable treaty.

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 a 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.

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 of 1986 (commonly referred to as "FATCA"), dividend equivalent payments on, and payments of gross proceeds from the disposition of, the 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", unless the applicable Issuer or financial institution complies with certain certification, information reporting (disclosure 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 July 1, 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 December 31, 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.

On 31 May 2013, the Federal Republic of Germany entered into an IGA with the United States. The German FATCA implementation law and a further ordinance have already been published. Accordingly, any reportings will be exercised through the Federal Central Tax Office (*Bundeszentralamt für Steuern*).

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.

United States of America

- (a) The Securities have not been and will not be registered under the 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 purchasing Securities is deemed to agree 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 Section 5f.103-1 of the United States Treasury Regulation and the Notice 2012-20, will be issued in accordance with the so-called Excise Tax Exemption pursuant to the provisions of Section 4701(b)(1)(B) of the Internal Revenue Code and Section 1.163-5(c)(2)(i)(D) of the United States Treasury Regulations (formerly known as exception under TEFRA D, "**TEFRA D Rules**") or Section 1.163-5(c)(2)(i)(C) of the United States Treasury Regulations (formerly known as exception under TEFRA C, "**TEFRA C Rules**"), as specified in the applicable Final Terms.

Excise Tax

Internal Revenue Code Section 4701 imposes an excise tax of 1% of the principal amount multiplied by the number of calendar years until the obligation reaches maturity on "registration-required obligations" that are issued after 18 March 2012 and which are not in registered form. In accordance with Notice 2012-20 issued by the U.S. Internal Revenue Service (IRS) certain securities are deemed to be in registered form. Furthermore, the IRS has

announced to apply certain exceptional rules (Excise Tax Exemption) for securities which are not in registered form (bearer securities) that will mirror the former TEFRA C and TEFRA D rules.

Notice 2012-20 Requirements

In Notice 2012-20, the IRS has stated that, for obligations issued after 18 March 2012, it intends to issue guidance that certain obligations that are nominally issued in “bearer” form will be considered to be in registered form for U.S. tax purposes if 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 (bearer) certificates is a clearing organisation, the physical certificates can only be transferred to a successor clearing organisation, 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 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 respectively.

TEFRA D Rules

In addition, in respect of Securities issued in accordance with the TEFRA D Rules, the Issuer represents and agrees the following, and it will require all those persons participating in the distribution of the Securities to represent and agree respectively, namely, 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 United States 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 United States 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 United States Internal Revenue Code, as amended, and regulations thereunder, including the *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 the Issuer, 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 United States Internal Revenue Code of 1986, as amended, and regulations thereunder, including the TEFRA C Rules.

Securities which do not qualify as registered form (bearer securities) issued pursuant to the TEFRA D Rules (other than temporary global securities and securities with a maturity, taking into account any unilateral rights to roll over or extend, of one year or less) and any receipts or coupons appertaining thereto will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area, which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), 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 that

Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such base prospectus has subsequently been completed by the Final Terms contemplating such Non-Exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such base prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of the Non-Exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant person or entity placing or offering the Securities nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that (i) no such offer of Securities referred to in (b) to (d) above shall require the Issuer to publish a base prospectus pursuant to Article 3 of the Prospectus Directive or supplement a base prospectus pursuant to Article 16 of the Prospectus Directive and (ii) in case of an offer into the Republic of Austria, a reporting has been submitted to the Austrian Control Bank (*Österreichische Kontrollbank*), as set out in the Capital Market Act of 1991 (*Kapitalmarktgesetz 1991*), 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 100.1(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, Legislative Decree No. 385 of September 1, 1993 as amended (the "**Banking Act**"), CONSOB Intermediaries Regulation, as amended 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 and are then systematically resold on the secondary market at any time in the twelve months following such placing, such resale will be considered a public offering and subject to public offer and prospectus requirements if none of the exemptions indicated in points (1) and (2) above applies. 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 void and, in addition, to claim damages from any authorised person at whose premises the Securities were purchased.

Selling Restrictions Addressing Additional French Securities Laws

Description of the French Selling Restrictions

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 (c) ending 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. 411-4, D. 734-1, 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*.

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.

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 2012 and 2013 of the Issuer, the unconsolidated annual financial statements of the Issuer in respect of the fiscal year ended 31 December 2013 prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*), the unaudited, consolidated Interim Report at 31 March 2014 of HVB Group, 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 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**") or 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 2014 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 2014, and (ii) no material adverse change in the prospects of the HVB Group since 31 December 2013, the date of its last published audited financial statements (Annual Report 2013).

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.

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.

Description of the Securities and Conditions of Securities incorporated by reference in the Base Prospectus

The Description of the Securities and the Conditions of the Securities as included in the base prospectus of UniCredit Bank AG dated 20 August 2013 for the issuance of Open End Securities are hereby incorporated by reference into this Base Prospectus (where the information incorporated by reference is provided can be obtained from the below list).

Information incorporated by reference in this Base Prospectus

The following information shall be deemed to be incorporated 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 25 April 2014, approved by the Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>)¹⁾		
Risk Factors		
- Risks relating to HVB Group	p. 3 to 17	p. 18
UniCredit Bank AG		

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
- Information about HVB, the parent company of HVB Group	p. 17	p. 38
Business Overview		
- Principal Activities	p. 18	p. 38
- Business segments of HVB Group	p. 18 to 20	p. 38
- Principal Markets	p. 21	p. 38
- Management and Supervisory Bodies	p. 21 to 22	p. 38
- Major Shareholders	p. 22	p. 38
- Auditors	p. 23	p. 38
- Legal Risks/Arbitration Proceedings	p. 23 to 26	p. 38
Audited financial statements of HVB Group for the fiscal year ended 31 December 2012 (Annual Report HVB Group 2012)²⁾		
- Consolidated Income Statement	p. 116 to 117	p. 38
- Consolidated Balance Sheet	p. 118 to 119	p. 38
- Statement of Changes in Consolidated Shareholders' Equity	p. 120 to 121	p. 38
- Consolidated Cash Flow Statement	p. 122 to 123	p. 38
- Notes to the Consolidated Financial Statements	p. 124 to 238	p. 38
- Auditor's Certificate	p. 239	p. 38

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
<p>Audited financial statements of HVB Group for the fiscal year ended 31 December 2013 (Annual Report HVB Group 2013)²⁾</p> <ul style="list-style-type: none"> - Consolidated Income Statement - Consolidated Balance Sheet - Statement of Changes in Consolidated Shareholders' Equity - Consolidated Cash Flow Statement - Notes to the Consolidated Financial Statements - Auditor's Certificate 	<p>p. 110 to 111</p> <p>p. 112 to 113</p> <p>p. 114 to 115</p> <p>p. 116 to 117</p> <p>p. 118 to 248</p> <p>p. 249</p>	<p>p. 38</p> <p>p. 38</p> <p>p. 38</p> <p>p. 38</p> <p>p. 38</p> <p>p. 38</p>
<p>Audited unconsolidated financial statements (Jahresabschluss) of Unicredit Bank AG for the fiscal year ended 31 December 2013 (Annual Report UniCredit Bank AG (HVB) 2013)²⁾</p> <ul style="list-style-type: none"> - Income Statement - Balance Sheet - Notes - Auditor's Report 	<p>p. 80 to 81</p> <p>p. 82 to 87</p> <p>p. 88 to 138</p> <p>p. 139</p>	<p>p. 38</p> <p>p. 38</p> <p>p. 38</p> <p>p. 38</p>
<p>Base prospectus of UniCredit Bank AG dated 3 June 2014 for the issuance of Knock-out Securities and Warrants¹⁾</p> <p>Unaudited consolidated Interim Report (Zwischenbericht) at 31 March 2014</p> <ul style="list-style-type: none"> - Financial Highlights 	<p>F-2</p>	<p>p. 38</p>

	Pages of the document:	Incorporation of information in this Base Prospectus on the following pages:
- Consolidated Income Statement	F-3 to F-4	p. 38
- Consolidated Balance Sheet	F-5 to F-6	p. 38
- Statement of Changes in Shareholders' Equity	F-7 to F-8	p. 38
- Selected Notes	F-9 to F 28	p. 38
Base prospectus of UniCredit Bank AG dated 20 August 2013 for the issuance of Open End Securities ¹⁾		
- Description of the Securities and Conditions of the Securities	p. 60 to 323	p. 128
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 ¹⁾		
The description of indices composed by the Issuer or by any legal entity belonging to the same group		
- Cross Commodity Long/Short Index	p. 379 to 383	p. 98

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>

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Signed by

Sandra Braun

Isabella Molinari