

# Erste Group Bank AG

(Incorporated as a stock corporation in the Republic of Austria under registered number FN 33209 m)

## Certificates Programme

Under this Programme (the "**Programme**"), Erste Group Bank AG (the "**Issuer**" or "**Erste Group Bank**") may, subject to compliance with all relevant laws, regulations and directives, from time to time issue certificates specified in the relevant Final Terms (as defined herein) on indices, shares, baskets of shares, currency exchange rates, interest rates, commodities and future contracts in the German or English language under Austrian law (the "**Certificates**" or the "**Securities**").

This Prospectus (the "**Prospectus**") has been drawn up in accordance with Annexes XI, XII, XXI, XXII and XXX of Commission Regulation (EC) No 809/2004 dated 29 April 2004, as lastly amended by Commission Regulation (EU) No 759/2013 dated 30 April 2013 (the "**Prospectus Regulation**") and has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**") in its capacity as competent authority under the Austrian Capital Market Act (*Kapitalmarktgesetz*, the "**KMG**") for approval of this Prospectus. **The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA under applicable Austrian law and the Prospectus Directive 2003/71/EC, as amended. The FMA examines the Prospectus only in respect of its completeness, coherence and comprehensibility pursuant to section 8a of the KMG.**

Application may be made for the Programme and/or the Certificates to be admitted to the "*Amtlicher Handel*" (Official Market) and the "*Geregelter Freiverkehr*" (Second Regulated Market) (together, the "**Austrian Markets**") of the *Wiener Börse* (the "**Vienna Stock Exchange**"). Application may also be made to admit to trading such Certificates on the markets of the Stuttgart Stock Exchange (*Börse Stuttgart*) (EUWAX) and/or the Budapest Stock Exchange and/or the Bucharest Stock Exchange and/or the Prague Stock Exchange and/or the Zagreb Stock Exchange (together with the Austrian Markets, the "**Markets**"). References in this Prospectus to Certificates being listed (and all related references) shall mean that such Certificates have been admitted to trading on the Markets, excluding until MiFID (as defined below) is implemented in Croatia, the Zagreb Stock Exchange, each of which is a regulated market for the purposes of the Directive 2004/39/EC on markets in financial instruments, as amended ("**MiFID**"). Unlisted Certificates may be issued pursuant to this Programme. The relevant Final Terms in respect of the issue of any Certificates will specify whether or not such Certificates will be admitted to trading on the Markets (or any other market and/or stock exchange).

The Issuer has requested the FMA to provide the competent authorities in other host Member States within the European Economic Area including Croatia, the Czech Republic, Germany, Hungary and Romania with a certificate of approval attesting that this Prospectus has been drawn up in accordance with Article 5.4 of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (which includes the amendments made by the Directive 2010/73/EU, the "**Prospectus Directive**") and the KMG (regarding each member state a "**Notification**").

Each tranche (a "**Tranche**") of Certificates will be represented by a permanent global note in bearer form (each a "**Global Note**"). Global Notes may (or in the case of Certificates listed on the Vienna Stock Exchange will) be deposited on the issue date with a common depository with or on behalf of Oesterreichische Kontrollbank Aktiengesellschaft, Vienna ("**OeKB**") and/or the Issuer and/or any other agreed depository for any other clearing system, if any, all as specified in the Final Terms.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Prospectus. This Prospectus does not describe all of the risks of an investment in the Certificates, but the Issuer believes that all material risks relating to an investment in the Certificates have been described.

*This Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive as amended (which includes the amendments made by the Directive 2010/73/EU and the KMG, and for the purpose of giving information with regard to the Issuer and its subsidiaries and affiliates taken as a whole (the "**Erste Group**") and the Certificates which, according to the particular nature of the Issuer and the Certificates, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.*

*This document is a base prospectus relating to non-equity securities according to Art. 22 para. 6 No. 4 of the Commission Regulation (EC) No. 809/2004 dated 29 April 2004, as amended (the "**Prospectus Regulation**"). Competent authority for the approval of the Prospectus pursuant to Section 8a of KMG, that implements Prospectus Directive into Austrian law, is the FMA. In respect of the individual series of Certificates final terms (the "**Final Terms**") will be filed with the FMA. Any decision to purchase the Certificates should be made on a consideration of the Prospectus as a whole and including the respective Final Terms.*

*This Prospectus is to be read in conjunction with any supplement thereto and all documents which are incorporated herein by reference (see "Documents Incorporated by Reference" below). Such documents shall be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Full information on the Issuer and any Tranches of Certificates is only available on the basis of the combination of the Prospectus, as supplemented, and the relevant Final Terms.*

*No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Erste Group since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Erste Group since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. Any material new circumstances or any material incorrectness or inaccuracy as to the statements contained in this Prospectus that could influence the assessment of the Certificates issued under the Programme and that occur or are determined between the approval of the Prospectus by the FMA and the final end of the public offer, or if earlier, the admission to trading on a regulated market of Certificates under the Programme will be included and published in a supplement to this Prospectus in accordance with the KMG.*

*The distribution of this Prospectus and the offering or sale of the Certificates in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restriction. The Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may include Certificates in bearer form that are subject to US tax law requirements. The Certificates may not be offered, sold or delivered within the United States or to US persons except in certain transactions permitted by US tax regulations and the Securities Act. For a description of certain restrictions on offers and sales of Certificates and on distribution of this Prospectus, see "10. Subscription and Sale".*

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer to subscribe for, or purchase, any Certificates.*

*Neither this Prospectus nor any financial statements supplied in connection with the Programme or any Certificates are 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 Prospectus or any financial statements should purchase the Certificates. Each potential purchaser of Certificates should determine for itself the relevance of the information contained in this Prospectus or any financial statements and its purchase of Certificates should be based upon any such investigation as it deems necessary.*

This Prospectus has been prepared on the basis that any offer of Certificates in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will only be made pursuant to the rules for public offers under the Prospectus Directive, as implemented in that Relevant Member State, or according to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Certificates. Accordingly any person making or intending to make an offer in that Relevant Member State of Certificates which are the subject of an offering contemplated in this Prospectus as completed by the Final Terms in relation to the offer of those Certificates may only do so (i) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by the Final Terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or the Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer or (ii) in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Except to the extent sub-paragraph (i) above may apply, the Issuer has not authorised, and will not authorise, the making of any offer of Certificates in circumstances in which an obligation arises for the Issuer to publish or supplement a prospectus for such offer.

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## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following parts of the following documents which are incorporated by reference into this Prospectus and which have been filed with the FMA:

| <b>Document/Heading</b>   | <b>Page reference in the relevant financial report</b> |
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| <b>English translation of the Audited Consolidated Financial Statements of the Issuer for the financial year ended 31 December 2012 – Annual Report 2012 (the "Audited Consolidated Financial Statements 2012")</b>   |  |
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For the avoidance of doubt, such parts of the annual reports of the Issuer for the financial years 2013 and 2012 respectively as well as of the interim report for the first nine months

period in 2014 which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus.

Any information not listed above but included in the documents incorporated by reference is given for information purposes only.

Such parts of the documents which are explicitly listed above shall be deemed to be incorporated in, and form part of this Prospectus, save that any statement contained in such a document shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Furthermore, this Prospectus should be read and construed in conjunction with each set of Final Terms relating to any Certificates that are offered under the Programme at the time of this Prospectus which has been previously filed with the FMA. The following sections of the following prospectus relating to the Programme, which have been previously published, are incorporated by reference into this Prospectus:

| <b>Prospectus/Section</b>  | <b>Page reference in the relevant prospectus</b> |
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| <b>The prospectus dated 16 July 2013</b>   |  |
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For the avoidance of doubt, such parts of the above listed previously published prospectus relating to the Programme which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus.

Any information not listed above but included in the prospectus incorporated by reference is given for information purposes only.

## **SUPPLEMENT TO THE PROSPECTUS**

The Issuer is obliged by the provisions of the Prospectus Directive and the KMG, that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Prospectus which is capable of affecting the assessment of any Certificates and which arises or is noted between the time when the Prospectus is approved and the final closing of an offer of such Certificates to the public or, as the case may be, the time when trading on a regulated market begins, whichever occurs



later, the Issuer shall prepare a supplement to this Prospectus or publish a replacement Prospectus for use in connection with any subsequent offering of the Certificates and shall supply to the FMA and the stock exchange operating the Markets such number of copies of such supplement or replacement hereto as relevant applicable legislation require.

## **SOURCES OF INFORMATION**

Unless otherwise stated, statistical and other data provided in this Prospectus has been extracted from the Audited Consolidated Financial Statements 2013 and the Annual Report thereon and the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Furthermore, certain statistical and other data provided in this Prospectus has been extracted from reports and other documents of certain statistical offices and/or national banks in countries where the Issuer operates and the sources of any such information are included in the relevant section of this Prospectus. The Issuer confirms that such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by the sources of such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

Electronic versions of the following documents will be available on the website of the Issuer under "[www.erstegroup.com](http://www.erstegroup.com)" or the links set out below in brackets:

- (i) the Audited Consolidated Financial Statements 2013 and 2012 and the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014;
- (ii) each set of Final Terms for Certificates that are publicly offered or admitted to trading on a Market or on any other market or stock exchange ("<http://produkte.erstegroup.com>");
- (iii) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus ("[www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate\\_ab2006](http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006)"); and
- (iv) the articles of association of the Issuer.

The document mentioned above under (iv) can also be obtained by investors free of charge during usual business hours on any weekday (except Saturdays and public holidays) at the registered office of the Issuer.

## **SIGNIFICANT CHANGES AND MATERIAL ADVERSE CHANGES**

Except as disclosed under "Current Regulatory Topics" starting on page 201 and "Recent Developments" on page 202 of this Prospectus, there has been no significant change in the financial or trading position of the Erste Group since 30 September 2014 and no material adverse change in the prospects of the Issuer since 31 December 2013.

## CONSENT TO USE PROSPECTUS

The Issuer consents that (i) all credit institutions pursuant to the Directive 2013/36/EU acting as financial intermediaries subsequently reselling or finally placing the Certificates and (ii) each further financial intermediary who is disclosed on the website of the Issuer under "www.erstegroup.com" as an intermediary who is given the Issuer's consent to the use of this Prospectus for the reselling or finally placing of Certificates (if any) (together, the "**Financial Intermediaries**") are entitled to use this Prospectus in Austria, Croatia, the Czech Republic, Germany, Hungary, Romania and such other Member State of the European Economic Area whose competent authorities have been notified of the approval of this Prospectus for the subsequent resale or final placement of Certificates to be issued under the Programme during the relevant offer period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant instruments can be made, provided however, that the Prospectus is still valid in accordance with section 6a of the KMG which implements the Prospectus Directive.

The Issuer accepts responsibility for the information given in this Prospectus also with respect to the subsequent resale or final placement of the Certificates by Financial Intermediaries.

The consent by the Issuer to the use of the Prospectus for subsequent resale or final placement of the Certificates by the Financial Intermediaries has been given under the condition that (i) potential investors will be provided with the Prospectus, any supplement thereto and the relevant Final Terms and (ii) each of the Financial Intermediaries ensures that it will use the Prospectus, any supplement thereto and the relevant Final Terms in accordance with all applicable selling restrictions specified in this Prospectus and any applicable laws and regulations in the relevant jurisdiction.

In the applicable Final Terms, the Issuer can determine further conditions attached to its consent which are relevant for the use of this Prospectus. The Issuer reserves the right to withdraw its consent to use this Prospectus at any time.

**In the event of an offer being made by financial intermediary the financial intermediary shall provide information to investors on the terms and conditions of the offer at the time the offer is made.**

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

## FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Issuer's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Issuer's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Issuer's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "Risk Factors", "Erste Group Bank

AG". These sections include more detailed descriptions of factors that might have an impact on the Issuer's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur.

# 1. SUMMARY

*This summary is made up of disclosure requirements known as elements (the "**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 the Issuer. As 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 the 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".*

**[In case of multi issuances, i.e. if more than one Series of Certificates is contained in the issue specific summary, insert:** *Some Elements might not be uniform with regard to the individual Series of Certificates. In this case the respective information relating to the individual Series of Certificates or a specific Underlying will be specified by mentioning the relevant ISIN of the Series or another unique identification feature in connection with the relevant information.]*

## A. Introduction and Warnings

### A.1 Warning

This summary (the "**Summary**") should be read as an introduction to the prospectus (the "**Prospectus**") of the Certificates Programme (the "**Programme**").

Any decision by an investor to invest in Certificates issued under the Prospectus (the "**Certificates**") should be based on consideration of the Prospectus as a whole by the investor.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Civil liability attaches only to Erste Group Bank AG ("**Erste Group Bank**"), Graben 21, 1010 Vienna, Austria (in its capacity as issuer under the Programme, the "**Issuer**") who tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Certificates.

**A.2** Consent by the Issuer or person responsible for drawing up the Prospectus to the use of the Prospectus for subsequent resale or final placement of the securities by financial intermediaries subsequently reselling or finally placing the Certificates and (ii) each further financial intermediary who is disclosed on the website of the Issuer under "www.erstegroup.com" as an intermediary who is given the Issuer's consent to the use of this Prospectus for the reselling or finally placing of Certificates (together, the

intermediaries.

Indication of the offer period within which subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use the Prospectus is given.

Any other clear and objective conditions attached to the consent which are relevant for the use of the Prospectus.

"Financial Intermediaries") are entitled to use the Prospectus during the relevant offer period during which subsequent resale or final placement of the relevant Certificates can be made, provided however, that the Prospectus is still valid in accordance with section 6a of the KMG which implements the Prospectus Directive.

The consent by the Issuer to the use of the Prospectus for subsequent resale or final placement of the Certificates by the Financial Intermediaries has been given under the condition that (i) potential investors will be provided with the Prospectus, any supplement thereto and the relevant Final Terms and (ii) each of the Financial Intermediaries ensures that it will use the Prospectus, any supplement thereto and the relevant Final Terms in accordance with all applicable selling restrictions specified in this Prospectus and any applicable laws and regulations in the relevant jurisdiction.

In the applicable Final Terms, the Issuer can determine further conditions attached to its consent which are relevant for the use of the Prospectus. The Issuer reserves the right to withdraw its consent to use this Prospectus at any time.

Notice in bold informing investors that, in the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

**In the event of an offer being made by financial intermediary the financial intermediary shall provide information to investors on the terms and conditions of the offer at the time the offer is made.**

## B. The Issuer

- B.1** The legal and commercial name of the Issuer: The legal name of Erste Group Bank is "Erste Group Bank AG", its commercial name is "Erste Group". "**Erste Group**" also refers to Erste Group Bank and its consolidated subsidiaries.
- B.2** The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country or incorporation: Erste Group Bank is a stock corporation (*Aktiengesellschaft*) organised and operating under Austrian law, registered with the companies register (*Firmenbuch*) at the Vienna Commercial Court (*Handelsgericht Wien*) under the registration number FN 33209m. Erste Group Bank's registered office is in Vienna, Republic of Austria. It has its business address at Graben 21, 1010 Vienna, Austria.
- B.4b** Any known trends affecting the Issuer: The past global financial crisis has led to an increase in regulatory activities at national and international levels to

and the industries in which it operates: adopt new and more strictly enforce existing regulation for the financial industry in which the Issuer operates. Regulatory changes or enforcement initiatives could further affect the financial industry. New governmental or regulatory requirements and changes in levels of adequate capitalisation, liquidity and leverage could lead to increased capital and liquidity requirements or standards. Governmental and central bank action in response to the financial crisis could significantly affect competition and may affect investors of financial institutions.

**B.5** If the Issuer is part of a group, a description of the group and the Issuer's position within the group: "Erste Group" consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank Oesterreich in Austria, Česká spořitelna in the Czech Republic, Banca Comercială Română in Romania, Slovenská sporiteľňa in the Slovak Republic, Erste Bank Hungary in Hungary, Erste Bank Croatia in Croatia, Erste Bank Serbia in Serbia and, in Austria, Salzburger Sparkasse, Tiroler Sparkasse, s-Bausparkasse, other savings banks of the Haftungsverbund, Erste Group Immorent, and others. Erste Group Bank operates as the parent company of Erste Group and is the lead bank in the Austrian Savings Banks Sector.

**B.9** Where a profit forecast or estimate is made, state the figure: Not applicable; no profit forecast or estimate has been made.

**B.10** A description of the nature of any qualifications in the audit report on the historical financial information: Not applicable; there are no qualifications.

**B.12** Selected historical key financial information:

| in millions of Euro (rounded)                                     | 31 December 2013 audited | 31 December 2012 audited |
|---|--------------------------|--------------------------|
| Total liabilities and equity                                      | 199,876                  | 213,824                  |
| Total equity  | 14,781                   | 16,339                   |
| Net interest income   | 4,858                    | 5,235                    |
| Pre-tax profit/loss   | 374                      | 801                      |
| Net profit/loss for the year                                      | 196                      | 631                      |
| Net profit/loss for the year attributable to owners of the parent | 61                       | 483                      |

Source: Audited Consolidated Financial Statements 2013 and 2012

| in millions of Euro<br>(rounded) | 30<br>September<br>2014<br>unaudited | 31<br>December<br>2013 as<br>restated <sup>1)</sup> |
|----------------------------------|--------------------------------------|---|
| Total liabilities and equity     | 196,973                              | 200,118   |
| Total equity                     | 13,652                               | 14,785  |

| in millions of Euro<br>(rounded)                | 30<br>September<br>2014<br>unaudited <sup>1)</sup> | 30<br>September<br>2013<br>unaudited <sup>1)</sup> |
|---|--|--|
| Net interest income                             | 3,369.6  | 3,515.8  |
| Pre-tax result from continuing operations       | -955.5   | 598.0  |
| Net result for the period                       | -1,389.3   | 567.0  |
| Net result attributable to owners of the parent | -1,484.0   | 430.6  |

Source: Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014 with comparative restated financial information for the year ended 31 December 2013

1) As a result of IFRS 10 application on 1 January 2014, Erste Group Bank started with consolidation of 18 investment funds managed by asset management companies of Erste Group. The consolidation has been applied retrospectively. All affected 2013 comparative figures have been restated. In 2014, Erste Group changed the structure of its balance sheet, income statement and some explanatory notes, in order to provide more reliable and relevant information about its financial position and performance. The new structure has also been introduced in order to generate synergies in addressing the new IFRS-based Financial Reporting regulatory requirements ("FINREP"). For more detailed information on the restatement and the changes in the structure of the line items in the balance sheet and income statement, please see the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014.

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:

On 3 July 2014, Erste Group announced that it expects for Erste Group (on a consolidated basis) a net loss for 2014 of EUR 1.4 to 1.6 bn. Other than that, there has been no material adverse change in the prospects of the Issuer since the date of the Audited Consolidated Financial Statements 2013.

Description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information:

On 3 July 2014 Erste Group announced that it expects for Erste Group (on a consolidated basis) a net loss for 2014 of EUR 1.4 to 1.6 bn. Other than that, there has been no significant change in the financial position of the Issuer since 30 September 2014.

**B.13** Description of any recent events particular to the Issuer which are to a

Not applicable; there are no recent events particular to the Issuer that are to a material extent relevant to the evaluation of the Issuer's solvency.

material extent relevant to the evaluation of the Issuer's solvency:

- B.14** If the Issuer is part of a group, any dependency upon other entities within the group: The Issuer is the parent company of Erste Group and thus dependent on the business results of the operations of all of its affiliates, subsidiaries and group companies.
- B.15** A description of the Issuer's principal activities: It provides a full range of banking and financial services, including deposit and current account products, mortgage and consumer finance, investment and working capital finance, private banking, investment banking, asset management, project finance, international trade finance, trading, leasing and factoring.
- B.16** To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control. As of 31 October 2014, 20.5% of the shares in Erste Group Bank were attributable to DIE ERSTE Österreichische Spar-Casse Privatstiftung ("**Erste Stiftung**") which held 12.7% directly and 7.8% indirectly (of which all savings banks in aggregate held 1.1%). 9.1% of the shares in Erste Group Bank were held by CaixaBank, S.A. The free float amounts to 70.4% (of which 4.1% were held by Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung, Vienna, Austria, 4.0% were held by Harbor International Fund, 51.6% by institutional investors, 9.7% by retail investors and 1.0% by Erste Group's employees) (all numbers are rounded).

## C. Securities

- C.1** Description of the type and the class of the securities being offered and/or admitted to trading, including any security identification number: **Type of Certificates**  
The Certificates are [Bonus][Capped Bonus][Discount][Open End Participation][Open End Index][Reverse Bonus][Capped Reverse Bonus][Participation][Index][Twin Win][Capped Twin Win][Factor] Certificates.  
**Form of Certificates**  
[Each Series of the] [The] Certificates will be represented by a global note.  
**Security identification number**  
ISIN(S): [●]
- C.2** Currency of the securities issue: The specified Currency of the Certificates is [●]
- C.5** Description of any restrictions on the free transferability of the securities: Each Certificate [of a series of Certificates] is transferable in a number equal to the Minimum Trading Number as specified in the Final Terms or an integral multiple thereof and in accordance with the laws applying in each case and, where relevant, the respective applicable regulations and procedures of the securities depository in whose records the transfer is registered.
- C.8** Description of the **Rights attached to the Securities**



rights attached to the securities including ranking and limitation to those rights:

Each Certificate provides its respective holders, a claim for payment of a cash amount, as described in detail under C.15.

#### **Status of the Securities**

[Each Series of the] [The] Certificates will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer.

#### **Rank**

The Certificates are ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.

#### **Limitations to the Rights**

The Issuer is entitled to terminate the Certificates and to adjust the Terms and Conditions under the conditions set out in the Terms and Conditions.

#### **Governing law**

Form and content of the Securities as well as all rights and obligations from matters under the Certificates are determined in every respect by the laws of Austria.

#### **Place of jurisdiction**

To the extent permitted by mandatory law, the courts competent for Vienna, Inner City, shall have exclusive jurisdiction, provided that the Issuer shall be entitled to bring proceedings in any other competent court. The submission to the jurisdiction of the courts of Vienna shall not limit the right of any Security Holder to take proceedings in a place of consumer jurisdiction if and to the extent mandated by applicable statute.

**C.11** Indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question:

[Application has been made to list [each Series of] the Certificates on the regulated market [(Amtlicher Handel)] [(Freiverkehr)] of the [Vienna],[,] [and] [Stuttgart (EUWAX)],[,] [and] [Budapest],[,] [and] [Bucharest],[,] [and] [Prague],[,] [and] [Zagreb] [*insert other*] Stock Exchange[, which [is][are] [not] [a] regulated market[s] for the purposes of Directive 2004/39/EC]. [The Securities have been admitted to the [regulated] [●] market[s] of the [Vienna],[,] [and] [Stuttgart (EUWAX)],[,] [and] [Budapest],[,] [and] [Bucharest],[,] [and] [Prague],[,] [and] [Zagreb] Stock Exchange, which [is][are] [not] [a] regulated market[s] for the purposes of Directive 2004/39/EC.]

[Not applicable. The Issuer has made no application for the Certificates to be listed or admitted to trading on any regulated or unofficial market.]

**C.15** A description of how the value of the investment is affected by the value of the underlying instrument(s), unless the securities have a denomination of at

#### **[Description of [Bonus][Capped Bonus] Certificates**

In the case of these Certificates, on the Repayment Date Security Holders receive a Cash Amount, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying.

(i) If no Barrier Event occurs, the Cash Amount equals the Reference Price taking into account the Multiplier, and the

least EUR 100 000.

Cash Amount is at least equal to the Bonus Amount[ and does not exceed the Maximum Amount].

(ii) If a Barrier Event has occurred, the Cash Amount is no longer at least equal to the Bonus Amount, but is always equal to the Reference Price (taking into account the Multiplier) (1:1 participation in the performance of the Underlying)[ and does not exceed the Maximum Amount].

A Barrier Event occurs if the Observation Price reaches or falls below the Barrier at any time during the Observation Period.

The Security Holders do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).]

#### **[Description of Discount Certificates**

In the case of these Certificates, Security Holders participate in the performance of the Underlying throughout the term. The Initial Issue Price or the current price of the Certificate is below the current market price of the Underlying (Discount) taking into account the Multiplier.

On the Repayment Date the Security Holders receive a Cash Amount, converted into the Settlement Currency, as the case may be, the amount of which is dependent on the Reference Price.

(i) If the Reference Price is at the level of or above the Cap, the Cash Amount equals the Maximum Amount.

(ii) If the Reference Price is below the Cap, Security Holders receive a Cash Amount which equals the Reference Price taking into account the Multiplier.

The Security Holders do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).]

#### **[Description of Open End [Participation][Index] Certificates**

Open End [Participation][Index] Certificates do not have a specified limited term. The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Cash Amount, converted into the Settlement Currency, as the case may be, equals the Reference Price multiplied by the Multiplier.]

#### **[Description of [Reverse Bonus][Capped Reverse Bonus] Certificates**

In the case of these Certificates, Security Holders receive a Cash Amount on the Repayment Date, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying. A particular feature is that the participation of the Security Holders is inverse to the performance of the Underlying.

(i) If no Barrier Event has occurred, the Cash Amount equals the Reverse Level minus the Reference Price, taking into account the Multiplier, and is at least equal to the Bonus Amount[ and does not exceed the Maximum

Amount].

(ii) If a Barrier Event has occurred, the Cash Amount is no longer at least equal to the Bonus Amount, but always equals the Reverse Level minus the Reference Price, taking into account the Multiplier (1:1 participation in the negative Performance of the Underlying), and is at least equal to zero[ and does not exceed the Maximum Amount].

A Barrier Event occurs if the Observation Price reaches or exceeds the Barrier at any time during the Observation Period.

Security Holders have no rights in respect of or arising from the Underlying (e.g. voting rights, dividends).]

#### **[Description of [Participation][Index] Certificates**

In the case of these Certificates, Security Holders receive a Cash Amount on the Repayment Date, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying. The Cash Amount equals the Reference Price multiplied by the Multiplier [and the Management Factor].]

#### **[Description of [Twin Win] [Capped Twin Win] Certificates**

The level of the Cash Amount, converted into the Settlement Currency, as the case may be, in the case of Twin Win Certificates is linked to the performance of the Underlying, and the following cases are to be distinguished:

(i) If no Barrier Event has occurred and the Reference Price equals or exceeds the Strike, the Cash Amount per Security corresponds to the product of (A) the Multiplier and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Reference Price and Strike and (y) the applicable Participation Factor[ whereby the Cash Amount does not exceed the applicable Maximum Amount].

(ii) If no Barrier Event has occurred but the Reference Price falls below the Strike, the Cash Amount per Security corresponds to, the product of (A) the Multiplier and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Strike and Reference Price and (y) the applicable Participation Factor[ whereby the Cash Amount does not exceed the applicable Maximum Amount].

(iii) If a Barrier Event has occurred, the Cash Amount per Security corresponds to, the product of (i) the Reference Price and (ii) the Multiplier[ whereby the Cash Amount does not exceed the applicable Maximum Amount].

A Barrier Event occurs if an Observation Price specified in the applicable Final Terms reaches or falls below the Barrier.

The Participation Factors[ and the Maximum Amounts] can differ in the individual cases.

Security Holders have no rights in respect of or arising

from the Underlying (e.g. voting rights, dividends).]

### **[Description of Factor Certificates**

Factor Certificates do not have a specified limited term. The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The price development of Factor Certificates depends on movements of the respective Underlying taking into account a leverage component and a financing component.

[In the case of Factor Long Certificates the leverage component reflects the multiple purchase of the Underlying. Therefore, price movements of the Underlying have a disproportional effect on the value of the Factor Long Certificates with positive as well as with negative developments of the Underlying.

The financing component results from the costs for the raising of capital at an overnight rate plus an add-on interest. As the financing component is always negative it has an adverse effect on the Factor Certificate on each Calculation Date.

With Factor Long Certificates the Cash Amount corresponds to the difference between (i) the product of the Cash Amount on the previous Calculation Date and the Daily Leveraged Performance and (ii) the Financing Costs, converted into the Settlement Currency, as the case may be. The Daily Leveraged Performance corresponds to the sum of (i) one (1) and (ii) the product of the Performance in Percent of the Underlying and the Factor. The Performance in Percent of the Underlying on a Calculation Date corresponds to the difference between (i) the quotient of the Reference Price and the Reference Price on the previous Calculation Date or, if a Stop-Loss Event has occurred between the time of determination of the Reference Price on the previous Calculation Date and the determination of the Reference Price on the Calculation Date, to the Stop-Loss Reference Price and (ii) one (1). A Stop-Loss Event occurs, if a certain Observation Price reaches or falls below the Stop-Loss Barrier.]

[In the case of Factor Short Certificates the leverage component reflects the multiple selling of the Underlying. Therefore, price movements of the Underlying have a disproportional effect on the value of the Factor Short Certificates with positive as well as with negative developments of the Underlying.

The financing component results from the costs for the raising of capital at an overnight reduced by an interest rebate. As the financing component is always negative it has an adverse effect on the Factor Certificate on each Calculation Date.

With Factor Short Certificates the Cash Amount corresponds to the sum of (i) the product of the Cash Amount on the previous Calculation Date and the Daily

Leveraged Performance and (ii) the Financing Costs, converted into the Settlement Currency, as the case may be. The Daily Leveraged Performance corresponds to the sum of (i) one (1) and (ii) the product of the Performance in Percent of the Underlying and the Factor. The Performance in Percent of the Underlying on a Calculation Date corresponds to the difference between (i) one (1) and (ii) the quotient of the Reference Price and the Reference Price on the previous Calculation Date or, if a Stop-Loss Event has occurred between the time of determination of the Reference Price on the previous Calculation Date and the determination of the Reference Price on the Calculation Date, to the Stop-Loss Reference Price. A Stop-Loss Event occurs, if a certain Observation Price reaches or exceeds the Stop-Loss Barrier.]

**Due to the construction of the Factor Certificates, in particular due to the linkage of the Factor Certificates to the Daily Leverage Performance, the daily fluctuations of the Underlying might have a material adverse effect on the price performance of the Certificates. As a consequence, Factor Certificates are not suited for long-term investments and are not a suitable alternative for direct investments into the Underlyings, because the development of the Daily Leveraged Performance of the Underlying and, thus, of the value of the Factor Certificates might significantly deviate from the development of the value of the Underlying itself over a period of time.]**

|             |   |   |
|-------------|---|---|
| <b>C.16</b> | The expiration or maturity date of the derivative securities - the exercise date or final reference date. | Repayment Date(s): [●]<br>Exercise Date(s): [●]<br>Final Valuation Date(s): [●]   |
| <b>C.17</b> | A description of the settlement procedure of the derivative securities.                                   | Any cash amounts payable by the Issuer shall be transferred to the relevant Clearing System for distribution to the Security Holders.                                 |
| <b>C.18</b> | A description of how the return on derivative securities takes place.                                     | The Issuer will cause the transfer of any Cash Amount to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. |
| <b>C.19</b> | The exercise price or the final reference price of the underlying.  | Underlying Price on the Final Valuation Date (Reference Price): [●]   |
| <b>C.20</b> | A description of the type of the underlying   | Type: [Share] [Basket of Shares] [Index] [Currency Exchange Rate] [Interest Rate <sup>1</sup> ] [Commodity] [Future   |

<sup>1</sup> Not applicable for Product No. 7: Factor Certificates

and where the Contract]  
information on the Name: [●]  
underlying can be  
found.

[Issuer][Company][Calculation  
Sponsor][Reference Market]: [●]

Agent][Index

[Reference Source]: [●]

Information on the Underlying and its volatility can be obtained [on the public website on www.[●]] [and] [on the Bloomberg or Reuters page] as provided for each security or item composing the Underlying.

## D. Risks

### D.2 Key information on the key risks that are specific to the Issuer

#### Risks related to the business of Erste Group

- Difficult macroeconomic and financial market conditions may have a material adverse effect on Erste Group's business, financial condition, results of operations and prospects.
- Erste Group has been and may continue to be affected by the ongoing European sovereign debt crisis, and it may be required to take impairments on its exposures to the sovereign debt of certain countries.
- Erste Group has experienced and may in the future continue to experience a deterioration in credit quality, particularly as a result of financial crises or economic downturns.
- Erste Group is subject to significant counterparty risk, and defaults by counterparties may lead to losses that exceed Erste Group's provisions.
- Erste Group's hedging strategies may prove to be ineffective.
- Erste Group is exposed to declining values of the collateral supporting commercial and residential real estate loans.
- Market fluctuations and volatility may adversely affect the value of Erste Group's assets, reduce profitability and make it more difficult to assess the fair value of certain of its assets.
- Erste Group is subject to the risk that liquidity may not be readily available.
- Rating agencies may suspend, downgrade or withdraw a rating of Erste Group Bank or of a country where Erste Group is active, and such action might negatively affect the refinancing conditions for Erste Group Bank, in particular its access to debt capital markets.
- New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could subject Erste Group to increased capital requirements or standards and require it to obtain additional capital or liquidity in the future.
- Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax.
- The Issuer may not be able to meet the minimum requirement for own funds and eligible liabilities.
- In future, the Issuer will be obliged to contribute amounts to the Single

Resolution Fund and ex ante funds to Deposit Guarantee Schemes.

- In future, the Issuer may be obliged to stop proprietary trading and/or separate certain trading activities from its core banking business.
- Erste Group's risk management strategies and internal control procedures may leave it exposed to unidentified or unanticipated risks.
- Erste Group's business entails operational risks.
- Erste Group may have difficulty recruiting or retaining qualified employees.
- Any failure or interruption in or breach in security of Erste Group's information systems, and any failure to update such systems, may result in lost business and other losses.
- Erste Group Bank may be required to provide financial support to troubled banks in the Haftungsverbund, which could result in significant costs and a diversion of resources from other activities.
- Changes in interest rates are caused by many factors beyond Erste Group's control, and such changes can have significant adverse effects on its financial results, including net interest income.
- Since a large part of Erste Group's operations, assets and customers are located in CEE countries that are not part of the Eurozone, Erste Group and its customers are exposed to currency risks.
- Erste Group may be unable to achieve the return to profitability of BCR or may be required to recognize further impairment charges resulting from previous acquisitions.
- A change of the ECB's collateral standards could have an adverse effect on the funding of Erste Group and access to liquidity.
- Erste Group operates in highly competitive markets and competes against large international financial institutions as well as established local competitors.
- Erste Group Bank's major shareholder may be able to control shareholder actions.
- Compliance with anti-money laundering, anti-corruption and anti-terrorism financing rules involves significant costs and efforts and non-compliance may have severe legal and reputational consequences.
- Changes in consumer protection laws as well as the application or interpretation of such laws might limit the fees and other pricing terms that Erste Group may charge for certain banking transactions and might allow consumers to claim back certain of those fees already paid in the past.
- The integration of potential future acquisitions may create additional challenges.

#### **Risks related to the markets in which Erste Group operates**

- The departure of any one or more countries from the Eurozone could have unpredictable consequences for the financial system and the greater economy, potentially leading to declines in business levels, write-downs of assets and losses across Erste Group's business.
- Erste Group operates in emerging markets that may experience rapid economic or political changes, either of which may adversely impact its financial performance and results of operations.
- Committed EU funds may not be released or further aid programmes may

not be adopted by the EU.

- Loss of customer confidence in Erste Group's business or in banking businesses generally could result in unexpectedly high levels of customer deposit withdrawals, which could have a material adverse effect on the Group's results, financial condition and liquidity.
- Liquidity problems experienced by certain CEE countries may adversely affect the broader CEE region and could negatively impact Erste Group's business results and financial condition.
- Governments in countries in which Erste Group operates may react to financial and economic crises with increased protectionism, nationalisations or similar measures.
- Erste Group may be adversely affected by slower growth or recession in the banking sector in which it operates as well as slower expansion of the Eurozone and the EU.
- The legal systems and procedural safeguards in many CEE countries and, in particular, in the Eastern European countries are not yet fully developed.
- Applicable bankruptcy laws and other laws and regulations governing creditors' rights in various CEE countries may limit Erste Group's ability to obtain payments on defaulted loans and advances.
- Erste Group may be required to participate in or finance governmental support programs for credit institutions or finance governmental budget consolidation programmes, including through the introduction of banking taxes and other levies.

**D.3, D.6 Key information on the key risks that are specific to the securities**

**RISK WARNING: Investors should be aware that they may lose the value of their entire investment or part of it, as the case may be. However, each investor's liability is limited to the value of his investment (including incidental costs).**

**General risk factors**

- The Certificates are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high; the Certificates do not, unless expressly provided, yield any current income.
- Certificates with participation factor include the risk of the Security Holder's participation being disproportionately lower or higher than any price fluctuations of the Underlying.
- The Certificates may have no liquidity or the market for such Certificates may be limited and this may adversely impact their value or the ability of the Security Holder to dispose of them.
- Security Holders should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Underlying disproportionately and even render it worthless and that there is no assurance that in the case of Certificates with a limited term, the price of the Certificate will recover in time.
- The performance of the Certificates is linked to the performance of the Underlying which may be affected by national and international financial, political, military or economic events, including governmental actions, or by



the activities of participants in the relevant markets. Any of these events or activities may adversely affect the value of the Certificates.

- If an Underlying is linked with emerging markets, a Security Holder must expect considerable political and economic uncertainty, which may significantly affect the price development of the Certificates.
- Where payments under the Certificates will be made in a currency which is different from the currency of the Underlying and such Certificates do not have a "quanto feature", the Security Holders are exposed also to the performance of the currency of the Underlying against the currency of the Certificates, which cannot be predicted.
- Security Holders should be aware that they may not be able to hedge their exposure from the Certificates.
- A credit financing of the acquisition of Certificates significantly increase the maximum possible loss.
- Hedging transactions concluded by the Issuer may influence the price of the Certificates in a detrimental manner for the investor.
- Incidental costs on any income reduce any Security Holders' profits.
- Security Holders are exposed to the risk of wrong assessment of the Certificates' liquidity due to the issue size of the Certificates.
- Market disruptions, adjustment measures and termination rights may negatively affect the rights of the Security Holders.
- Corrections, changes, or amendments to the Terms and Conditions may be detrimental to the Security Holders.
- Changes in tax law may negatively affect the Security Holders.
- Certificates may not be appropriate to hedge exposures.
- There is a risk that trading in the Certificates or Underlyings will be suspended, interrupted or terminated.
- Due to future money depreciation (inflation), the real yield of an investment may be reduced.
- Investors have to rely on the functionality of the relevant clearing system.
- Credit ratings may not reflect all risks.
- Legal investment considerations may restrict certain investments.
- An Austrian court can appoint a trustee (*Kurator*) for the Certificates to exercise the rights and represent the interests of the Security Holders on their behalf in which case the ability of Security Holders to pursue their rights under the Certificates individually may be limited.
- Risk related to the Foreign Account Tax Compliance Act (FATCA).
- The Certificates may be subject to write down or conversion to equity upon the occurrence of a certain trigger event, which may result in Holders losing some or all of their investment in the Certificates (statutory loss absorption).

### **Risk factors relating to certain types of Certificates**

#### **[Product No. 1: Risk factors applicable to [Bonus][Capped Bonus] Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*Risk of total loss in the case of a Barrier Event*

A so called Barrier Event occurs if the Observation Price reaches or falls below the Barrier at any time during the Observation Period. Security Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption in the amount of the Bonus Amount expires, and that the [Bonus][Capped Bonus] Certificate is comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Security Holder is exposed to a risk of loss comparable to the direct investment. Therefore, the Security Holder has a risk of total loss with regards to the invested capital. A total loss occurs when the Underlying is worthless on the Final Valuation Date.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "Volatility" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Security.

*[In case of Capped Bonus Certificates the Cash Amount is limited to the Maximum Amount*

Irrespective of whether or not a Barrier Event has occurred, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Capped Bonus Certificates has an upper limit.]]

**[Product No. 2: Risk factors applicable to Discount Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no

longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*Cash Amount is limited to Maximum Amount*

In the case of Discount Certificates, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Discount Certificates has an upper limit.

*Risk of total loss*

Below the Cap, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Security Holder's invested capital. A total loss will occur if the Underlying is worthless on the Final Valuation Date.]

**[Product No. 3: Risk factors applicable to Open End [Participation][Index] Certificates**

*Risk factors related to the unlimited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates do not have a specified limited term (Open End). The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Certificates may be exercised by the Security Holder during a certain Exercise Period during their term by submitting an Exercise Notice. The Cash Amount for exercised Certificates is calculated based on the Underlying Price of the Underlying on the relevant Exercise Date.

The Issuer is furthermore entitled to extraordinary termination of the Certificates by notice if an adjustment is no longer possible or in the case of an Additional Disruption Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Security Holder may no longer be able to sell his or her Certificates on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Security Holders may not assume that the Certificates will have an unlimited term. Security Holders should therefore not rely on being able to maintain a position in the Certificates over a long period. Furthermore, Security Holders may not rely on the timely movement of the

Underlying in a favourable direction before a Termination Date.

*Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer*

Security Holders should note that the fundamentally unlimited term of the Certificates may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Security Holder bears the risk that his expectations with respect to an increase in the value of the Certificates may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Security Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Certificate was purchased.

*[Risk related to the Open End Participation Certificates related to futures contracts with Transaction Fee*

In the case of Open End Participation Certificates related to futures contracts, it is to be noted that a "Transaction Fee" may be calculated to cover the transaction costs arising from the Rollover. The amount of such Transaction Fee is based on a number per futures contract, expressed in the Reference Currency. The application of the Multiplier to these transaction costs leads to a loss in value of the Certificates if the Transaction Fee is greater than zero (0). It must further be noted that the Transaction Fee is incurred both in respect of the purchase and the sale of the futures contracts on a Rollover, so the determination of the applicable Multiplier has to be considered twice.]

*Risk of total loss*

Open End [Participation][Index] Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments and transaction fees, if applicable), with the result that the Security Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless on the Final Valuation Date (e.g. in the case of a termination by the Issuer).]

**[Product No. 4: Risk factors applicable to [Reverse Bonus][Capped Reverse Bonus] Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security

Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*Risks related to the performance of [Reverse Bonus][Capped Reverse Bonus] Certificates owing to the reverse structure*

In the case of Reverse Bonus Certificates and Capped Reverse Bonus Certificates, the performance of the Certificates conversely depends on the performance of the Underlying. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying), Reverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying). This means that the Certificates enable the Security Holders to profit from a loss in value of the Underlying. **A Reverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Certificates), if the value of the Underlying increases.**

*Risk of a total loss in the case of a Barrier Event*

In case of reverse structures a so called Barrier Event occurs if the Observation Price reaches or exceeds the Barrier at any time during the Observation Period. Security Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Security Holder participates 1:1 in the negative performance of the Underlying. In this case, the Security Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Reverse Level on the Final Valuation Date.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Certificate declining.

*[In case of Capped Reverse Bonus Certificates the Cash Amount is limited to the Maximum Amount*

In the case of Capped Reverse Bonus Certificates, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a negative price movement of the Underlying above the Cap, with the result that the possible yield on Capped Reverse Bonus Certificates has an upper limit.]

*Limited yield potential due to reverse structure and irrespective of a Cap*

Security Holders should note that the yield potential is limited (regardless of a Cap) due to the reverse structure, since the participation in the negative performance of the Underlying is limited to 100%, i.e. in the case of Reverse Bonus Certificates the Cash Amount is limited to the Reverse Level (taking into account the Multiplier and, as the case may be, conversion into the Settlement Currency).

Accordingly, in the case of Reverse Bonus Certificates, the following relationship exists in principle between the economic value of the Certificates and the economic value of the Underlying: **A Reverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Certificate), if the value of the Underlying increases. Accordingly, a Security Holder may suffer a total loss of the invested capital if the level of the Underlying increases and reaches or exceeds the Reverse Level.]**

**[Product No. 5. Risk factors applicable to [Participation][Index] Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*[Risk related to Participation Certificates with a Management Fee*

Security Holders should note that subject to the holding period of the Certificates the Management Fee will reduce the Cash Amount which a Security Holder receives at the end of the term and that the Management Fee also has a negative impact on the secondary market prices of the Certificates during the term of the Certificates.]

*Risk of total loss*

[Participation][Index] Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Security Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless on the Final Valuation Date.]

**[Product No. 6. Risk factors applicable to [Twin Win][Capped Twin Win] Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*Risk of total loss in the case of a Barrier Event*

Security Holders should note that if a Barrier Event has occurred, the Twin Win Certificate is comparable to a direct investment in the Underlying (without taking into account dividend payments). As a result, the Security Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Security Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying is worthless at the end of the term.

An important determinant of the probability of a Barrier Event is the volatility of the Underlying. The term "Volatility" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Certificate declining.

*[In case of Capped Twin Win Certificates the Cash Amount is limited to a Maximum Amount*

Irrespective of whether or not a Barrier Event has occurred, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Capped Twin Win Certificates has an upper limit.]]

**[Product No. 7. Risk factors applicable to Factor Certificates**

*Risk of investment in leveraged Underlyings*

Different from other Open End Participation Certificates, Factor Certificates are leveraged.

Investors should in particular note, that in the case of Factor Certificates the daily performance of the Underlying is leveraged with the applicable Leverage Factor, i.e. positive and negative movements of the Underlying have a disproportionate effect on the value of the Certificate. This means that the determination of the Leverage Factor determines the degree of risk. The higher the leverage the higher the risk. **It should be noted that the price development of the Factor Certificates can be completely independent from the price development of the Underlying.**

In the case that the price of the Underlying falls significantly the value of the Certificate due to the leverage factor may decrease to a very low level. Subsequent price gains of the Underlying will lead to price increases of the Certificate. However, as the base level for the recovery of the Certificate will be very low significant price gains of the Underlying will only have relatively small effects on the price recovery of the Certificate.

The Factor Certificates provide for a kind of adjustment level (Stop-Loss Barrier) that should protect the investors against a total loss of their investment. However, such adjustment level might – under unfavourable circumstances – not prevent investors from intraday losses which might come close to a total loss of the capital invested.

**Capital markets are generally subject to fluctuations over a longer period of**

**time. Due to the construction of the Factor Certificates these fluctuations might have a material adverse effect on the price performance of the Certificates. Factor Certificates are not suited for long-term investments and are not a suitable alternative for direct investments into the Underlyings, because the development of the Daily Leveraged Performance of the Underlying and, thus, of the value of the Factor Certificates might significantly deviate from the development of the value of the Underlying itself over a period of time.**

*Risk factors related to the unlimited term of the Certificates and to the Issuer's ability to terminate*

The Certificates do not have a specified limited term (*Open End*). The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Certificates may be exercised by the Security Holder during a certain Exercise Period during their term by submitting an Exercise Notice. The Cash Amount for exercised Certificates is calculated based on the daily price performance of the Underlying on the relevant Exercise Date.

The Issuer is furthermore entitled to extraordinary termination of the Certificates by notice if an adjustment is no longer possible or in the case of an Additional Disruption Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination by the Issuer may occur at short notice, so that, in certain circumstances, the Security Holder may no longer be able to sell his Certificate on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Security Holders may not assume that the Certificates will have an unlimited term. Security Holders should therefore not rely on being able to maintain a position in the Certificates over a long period.

*Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer*

Security Holders should note that the fundamentally unlimited term of the Certificates may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Security Holder bears the risk that his expectations with respect to an increase in the value of the Certificates may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Security Holder bears the reinvestment risk. This means that he may only be able to reinvest the termination amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Certificate was purchased.

*[Risk of Factor Certificates with Transaction Fee*

In the case of Factor Certificates related to futures contracts a "**Transaction Fee**" may be calculated to cover the transaction costs arising from the Rollover, whose amount is based on a number per futures contract, expressed in the Reference Currency. The application of those transaction costs to the Multiplier leads to a loss in value of the Certificates if the Transaction Fee is greater than zero. It must further be noted that the Transaction Fee is incurred both in respect of the purchase and the sale of the futures contracts on a Rollover.]

*Risk of total loss*

In the worst case an investment in Factor Certificates may involve the total loss of the capital invested. This will in any event be the case if the Reference Price of the



Underlying on the Final Valuation Date amounts to zero.]

### **Risk factors relating to certain types of Underlyings**

Depending on the Underlying(s) to which the Certificates give exposure, Investors are exposed to risks stemming from the type of Underlying and the behavior of its market prices as the Cash Amount an Investor may receive depends on the development of the price of the Underlying. The types of Underlyings foreseen in this Programme differ significantly as per their typical price volatility. Investors should only invest in Certificates if they are familiar with the relevant Underlying and have a comprehensive understanding of the type of Underlying itself, the market and other rules of the relevant Underlying.

### **Risk factors relating to conflicts of interest**

Investors are exposed to the risk that direct or indirect actions of the Issuer have negative effects on the market price of the Certificates or otherwise negatively affect the Security Holders and conflicts of interest may make such actions more likely; for a description of possible conflicts of interest, please see E.4

## **E. Offer**

- E.2b** Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks: The issue of the Certificates is part of the ordinary business activity of the Issuer and is undertaken solely to generate profits which is also the reason for the offer.
- E.3** Description of the terms and conditions of the offer: **Terms and conditions to which the offer is subject**
- Not applicable; there are no conditions to which the offer is subject.
- Individual issues of Certificates will be offered permanently (*Daueremissionen*, "**tap issue**").
- The Certificates will be offered in the Offer State(s) starting: [●].
- The Issue Date is [●].
- Selling restrictions**
- Certificates may be offered, sold, or delivered within a jurisdiction or originating from a jurisdiction only, if this is permitted pursuant to applicable laws and other legal provisions and if no obligations arise for the Issuer.
- The Certificates have not been and will not be registered under the Securities Act and may include Certificates in bearer form that are subject to U.S. tax law requirements. Certificates may not be offered, sold or delivered within the United States or, for the account and benefit of U.S. persons.
- Initial Issue Price, costs and taxes when purchasing the Certificates**
- The Initial Issue Price(s) is (are) [●].

- E.4** Description of any interest that is material to the issue/offer including conflicting interest: [Not applicable; there are no such interests.]
- [The Issuer may from time to time act in other capacities with regard to the Certificates, such as calculation agent or market maker/specialist which allow the Issuer to calculate the value of the Underlying or any other reference asset or determine the composition of the Underlying, which could raise conflicts of interest where securities or other assets issued by the Issuer itself or a group company can be chosen to be part of the Underlying, or where the Issuer maintains a business relationship with the issuer or obligor of such securities or assets.
- The Issuer may from time to time engage in transactions involving the Underlying for its proprietary accounts and for accounts under its management. Such transactions may have a positive or negative effect on the value of the Underlying or any other reference asset and consequently upon the value of the Certificates.
- The Issuer may issue other derivative instruments in respect of the Underlying and the introduction of such competing products into the marketplace may affect the value of the Certificates.
- The Issuer may use all or some of the proceeds received from the sale of the Certificates to enter into hedging transactions which may affect the value of the Certificates.
- The Issuer may acquire non-public information with respect to the Underlying, and the Issuer does not undertake to disclose any such information to any Security Holder. The Issuer may also publish research reports with respect to the Underlying. Such activities could present conflicts of interest and may affect the value of the Certificates.]
- [Insert description of any such interests: ●]**
- E.7** Estimated expenses charged to the investor by the Issuer or the offeror: [Not applicable as no such expenses will be charged to the investor by the Issuer or the offeror/s.] **[insert description of any such costs: ●]**

## 2. RISK FACTORS

*Prospective investors should consider carefully the risks set forth below and the other information contained in this Prospectus prior to making any investment decision with respect to the Certificates. Prospective investors should note that the risks described below are not the only risks the Issuer faces. The Issuer has described only those risks relating to its business, operations, financial condition or prospects that it considers to be material and of which it is currently aware. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware, and any of these risks could have the effects set forth above.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and should consult with their own professional advisers (including their financial, accounting, legal and tax advisers) and reach their own views prior to making any investment decision.*

*Words and expressions defined in the sections entitled "Terms and Conditions of the Certificates" shall have the same meanings in this section "Risk Factors".*

### **2.1. Factors that may affect the Issuer's ability to fulfil its obligations under the Certificates issued under the Programme:**

*Each of the Issuer related risks highlighted below could have a material adverse effect on the Issuer's business, operations, financial condition or prospects which, in turn, could have a material adverse effect on the amounts which investors will receive in respect of the Certificates. In addition, each of the Issuer related risks highlighted below could adversely affect the trading price of the Certificates or the rights of investors under the Certificates and, as a result, investors could lose some or all of their investment.*

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Certificates to be issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purposes of assessing the market risks associated with Certificates to be issued under the Programme are described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Certificates to be issued under the Programme, but the inability of the Issuer to pay amounts on or in connection with any Certificates may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

#### **2.1.1 Risks related to the business of Erste Group**

**Difficult macroeconomic and financial market conditions may have a material adverse effect on Erste Group's business, financial condition, results of operations and prospects.**

From the second half of 2007 through 2009, disruptions in global capital and credit markets, coupled with the re-pricing of credit risk, created difficult conditions in financial markets and continue to have considerable effects on these markets. These conditions resulted in historically high levels of volatility across many markets (including capital markets), volatile commodity prices, decreased or no liquidity, widening of credit spreads and lack of price transparency in certain markets. These conditions also significantly reduced the availability of

private financing for both financial institutions and their customers, compelling many financial institutions and industrial companies to turn to governments and central banks to provide liquidity. Among other factors, significant write-downs of asset values by financial institutions on mortgage-backed securities and other financial instruments, combined with the imposition of higher capital and other regulatory requirements, have led many financial institutions to seek additional capital, to merge or be merged with larger and stronger institutions, to be nationalised and, in some cases, to fail. Although the global economy recovered slightly throughout 2013, widespread concerns with levels of public sector debt around the world, and with the stability of numerous banks in certain European countries, including, in particular Spain, Greece, Portugal, Italy and Ireland and more recently Cyprus and Slovenia, had a negative impact on macroeconomic conditions.

In response to the global financial crisis, the government of the United States, a number of European governments, the European Central Bank ("ECB") and international monetary organisations have taken unprecedented steps to help stabilise the financial system and increase the flow of credit in the global economy. There can be no assurances as to the actual impact that these measures and related actions will have on the financial markets, on consumer and corporate confidence generally and on Erste Group specifically. Since the second half of 2010, the indebtedness of certain Eurozone countries has raised concerns about the stability of the European financial sector and has contributed and may continue to contribute to a slowdown in economic growth in many countries across the region. Additionally, restructuring programmes adopted by some highly indebted countries of the European Union ("EU"), which include cuts in governmental spending, may result in lower growth rates in these countries as well as the Eurozone in the short and medium term. In 2011, the anxieties about the Eurozone situation increased and the ratings of Eurozone countries and banks were lowered at the end of 2011 and the beginning of 2012. In 2012, such anxieties continued due to the requirement to recapitalize the Spanish banking sector and growing concerns about the effectiveness and consequences of the restructuring programmes adopted by certain Eurozone countries, as well as due to the uncertainty as to the necessity for further financial aid for certain Eurozone countries or the Eurozone banking sector. In early 2013, the Cyprus crisis affected the financial markets, however, the economy and structural improvements in the rest of the countries in the Eurozone prevented a lasting effect.

Since September 2012, there has been an increase in the scale of global central bank intervention in an attempt to prevent further deterioration of economic growth and to respond to concerns about the effects of the European sovereign debt crisis. The ECB announced a plan to buy unlimited amounts of government bonds of distressed countries, such as Spain and Italy, partially in exchange for their request for and acceptance of a formal programme including certain austerity reforms. The impact of the ECB's or any other entity's actions in the future is currently unknown and these actions may or may not result in the expected benefits for the relevant economies. The so-called "Outright Monetary Transactions" of the ECB have contributed to a stabilisation in all these countries in the Eurozone, however, the long-term impacts are unknown. In 2014, the Federal Reserve as the central bank in the United States started to reduce its asset purchases with potential unforeseeable direct and indirect impacts on rates, market liquidity, foreign exchange and global economy.

Erste Group's performance will continue to be influenced by conditions in the global, and especially European, economy. The outlook for the European and global economy over the near to medium term remains challenging, which also impacts prospects for stabilisation and improvement of economic and financial conditions in Central and Eastern Europe ("CEE"). Besides the above, the risk of loss due to a change in funding costs or spread of Erste Group over a certain horizon and confidence level could follow.

**Erste Group has been and may continue to be affected by the ongoing European sovereign debt crisis, and it may be required to take impairments on its exposures to the sovereign debt of certain countries.**

In recent years, the sovereign debt markets in the Eurozone have experienced substantial stress as the financial markets have begun to perceive a number of countries as presenting an increased credit risk. These concerns have been particularly prominent with respect to

Greece, Ireland, Italy, Portugal and Spain, and more recently Cyprus, Slovenia, Ukraine, and were threatening the recovery from the global financial and economic crisis. These concerns have persisted in light of increasing public debt loads and stagnating economic growth in these and other European countries both within and outside the Eurozone, including CEE-countries. Despite a number of measures taken by European governments, the ECB and European regulators to control and mitigate the negative effects of the crisis, the business environment in general, and the financial markets in particular, weakened as the uncertainty surrounding the sovereign debt crisis and EU efforts to resolve the crisis continued to intensify. The effects of the sovereign debt crisis have especially impacted the financial sector as a large portion of the sovereign debt of Eurozone countries is held by financial institutions, including Erste Group. Concerns over the ability of highly indebted Eurozone sovereigns to manage their debt levels could continue to intensify, debt restructuring negotiations similar to those with Greece could take place with respect to the sovereign debt of other affected countries, and the outcome of any negotiation regarding changed terms (including reduced principal amounts or extended maturities) of such sovereign debt may result in Erste Group suffering additional impairments. Any such negotiations are highly likely to be subject to political and economic pressures beyond Erste Group's control.

Erste Group is also exposed to the credit risk of financial institutions which may be dependent on governmental support to continue their operations. The availability of government funds or the willingness of governments for such support is unclear given current levels of public debt in several Eurozone countries and upcoming regulation with the explicit aim to reduce governmental support. In addition, hedging instruments, including credit default swaps, could provide ineffective if restructurings of outstanding sovereign debt avoid credit events that would trigger payment under such instruments or if the amounts ultimately paid under such instruments do not correspond to the full amount of net exposure after hedging. Any restructuring of outstanding sovereign debt may result in potential losses for Erste Group and other participants in transactions that are not covered by pay-outs on hedging instruments that Erste Group has entered or may enter into to protect against the risk of default.

**Erste Group has experienced and may in the future continue to experience a deterioration in credit quality, particularly as a result of financial crises or economic downturns.**

Erste Group is, and may in the future continue to be, exposed to the risk that borrowers may not repay their loans according to their contractual terms, that the collateral or income stream securing the payment of these loans may be insufficient, or that legislation is imposed setting fixed exchange rates for loans in foreign currencies. In 2011, an increasing percentage of these exposures deteriorated in quality as a result of the unfavourable economic environment, and a considerable number of these exposures, particularly in Romania, Hungary and Croatia, continued to deteriorate. This is particularly true for customer loans in currencies other than the local currency of the customer's jurisdiction. As the value of the local currency declines versus the foreign currencies of such loans, as occurred in certain CEE countries during the economic downturn, the effective cost of the foreign currency denominated loan to the local customer may increase substantially, which can lead to delinquent payments on customer loans, migration of previously highly-rated loans into lower-rated categories and, ultimately, increases in non-performing loans and impairment charges. The effects of the global economic and financial crisis, such as stagnating or declining growth rates or negative gross domestic product ("**GDP**") development, significantly reduced private consumption and corporate investment, rising unemployment rates and decreasing private and commercial property values in certain regions, have had in recent years a particularly negative effect on the credit quality of Erste Group's loan portfolio in certain countries in which it operates.

Many of such loans are bullet repayment loans (*endfällige Verbraucherkredite*) which are secured by a repayment vehicle (*Tilgungsträger*). Adverse movements in the market value of such instruments for accumulating capital for bullet repayment and foreign currency risk applicable to repayment vehicles denominated in currencies other than the currency of the customer's jurisdiction may negatively affect the position of the loan secured by such repayment vehicle. This may increase the risk of a debtor defaulting under the loan.

Deterioration in Erste Group's credit quality and increases in non-performing loans may result in increased risk costs for Erste Group. Erste Group's risk costs are based on, among other things, its analysis of current and historical probabilities of default and loan management methods and the valuation of underlying assets and expected available income of clients, as well as other management assumptions. Erste Group's analyses and assumptions may prove to be inadequate and might result in inaccurate predictions of credit performance.

Erste Group maintains provisions on its balance sheet to cover estimated probable incurred credit losses inherent in its loan portfolio. In accordance with IFRS, Erste Group accounts for defaults of customers by making risk provisions, which include both specific risk provisions for loans (for which objective evidence of impairment exists) and portfolio risk provisions for loans (for which no objective evidence of impairment exists (incurred but not detected)). These provisions reflect Erste Group's estimates of losses in its loan portfolio. If a higher than expected proportion of Erste Group's customers default or if the average amount lost as a result of defaults is higher than expected or if individual corporate customers unexpectedly default, actual losses due to customer defaults will exceed the amount of provisions already taken and Erste Group's operating result will be adversely affected.

Despite an overall increase in risk costs at the group level in 2011, in certain CEE countries the increase in non-performing loans and the increase in required loan write-offs has led to decreasing non-performing loans ("**NPL**") coverage ratios (ratio of risk provisions for loans and advances to customers on Erste Group's balance sheet as a percentage of non-performing loans and advances to customers). While risk costs in 2012 generally decreased at the group level, risk provisions for loans and advances to customers in Romania and Croatia and, as a result of a higher NPL ratio (ratio of non-performing loans and advances to customers as a percentage of total loans and advances to customers) in lending to large corporate customers and real estate loans, in Erste Group Bank increased. This trend could be further observed in 2013 with, on the one hand, continuously decreasing risk costs at group level whilst, on the other hand, NPL and NPL ratio slightly decreased compared to 2012. Erste Group seeks to maintain an NPL coverage ratio that, in management's judgement, is appropriate to cover potential credit losses. However, there can be no assurances that the current NPL coverage ratio will not decline in the future, that annual risk costs will not rise or that the NPL coverage ratio will prove to be sufficient.

A deterioration in credit quality may continue in certain countries where Erste Group operates and could even intensify if economic conditions remain difficult or if improving business climates are temporary. In addition, unanticipated political events or a continued lack of liquidity in certain CEE economies could result in credit losses which exceed the amount of Erste Group's loan loss provisions.

Each of the above factors has had in the past and could have in future periods a material adverse effect on Erste Group's results of operations, financial condition and capital base.

**Erste Group is subject to significant counterparty risk, and defaults by counterparties may lead to losses that exceed Erste Group's provisions.**

In the ordinary course of its business, Erste Group is exposed to the risk that third parties who owe it money, securities or other assets will not perform their obligations. This exposes Erste Group to the risk of counterparty defaults, which have historically been higher during periods of economic downturn.

In the ordinary course of its business, Erste Group is exposed to a risk of non-performance by counterparties in the financial services industry. This exposure can arise through trading, lending, deposit-taking, clearance and settlement and many other activities and relationships. These counterparties include brokers and dealers, custodians, commercial banks, investment banks, mutual and hedge funds, and other institutional clients. Many of these relationships expose Erste Group to credit risk in the event of default of a counterparty. In addition, Erste Group's credit risk may be exacerbated when the collateral it holds cannot be realised upon or is liquidated at prices below the level necessary to recover the full amount of the loan or cover the full amount of derivative exposure. Many of the hedging and other risk management strategies utilised by Erste Group also involve transactions with financial services

counterparties. A weakness or insolvency of these counterparties may impair the effectiveness of Erste Group's hedging and other risk management strategies. Erste Group will incur losses if its counterparties default on their obligations. If a higher than expected proportion of Erste Group's counterparties default, or if the average amount lost as a result of defaults is higher than expected, actual losses due to counterparty defaults will exceed the amount of provisions already taken and results of operation will be adversely affected. If losses due to counterparty defaults significantly exceed the amounts of Erste Group's provisions or require an increase in provisions, this could have a material adverse effect on Erste Group's business, financial condition and results of operations.

Counterparty risk between financial institutions has increased from time to time in recent years as a result of volatility in the financial markets. Concerns about potential defaults by one financial institution can lead to significant liquidity problems, losses or defaults by other financial institutions as the commercial and financial soundness of many financial institutions is interrelated due to credit, trading and other relationships. Even a perceived lack of creditworthiness may lead to market-wide liquidity problems. This risk is often referred to as "systemic risk", and it affects banks and all different types of intermediaries in the financial services industry. Systemic risk could lead to a need for Erste Group as well as other banks in the markets in which Erste Group operates to raise additional capital while at the same time making it more difficult to do so. Systemic risk could therefore have a material adverse effect on Erste Group's business, financial condition, results of operations, liquidity or prospects.

**Erste Group's hedging strategies may prove to be ineffective.**

Erste Group utilises a range of instruments and strategies to hedge risks. Unforeseen market developments may have a significant impact on the effectiveness of hedging measures. Instruments used to hedge interest and currency risks can result in losses if the underlying financial instruments are sold or if valuation adjustments must be undertaken. Gains and losses from ineffective risk-hedging measures can increase the volatility of the results generated by Erste Group, which could have a material adverse effect on Erste Group's business, financial condition and results of operations.

**Erste Group is exposed to declining values of the collateral supporting commercial and residential real estate loans.**

Erste Group has significant exposure to commercial and residential real estate loans. Commercial and residential real property prices in many of the countries where Erste Group operates declined in recent years, reflecting economic uncertainty. Commercial and residential property developers were forced to cease or delay construction of planned projects due to a lack of customers or, as a result of declining values of the collateral supporting the projects, their inability to finance construction. This led to reductions in prices of residential and commercial real estate and contractions in the residential mortgage and commercial lending markets in many countries. Erste Group's commercial property and residential real estate loan portfolios may suffer additional impairment losses if property values decline further in the future, collateral cannot be enforced or, as a result of weaknesses in Erste Group's collateral management or work-out processes, collateral values prove to be insufficient. Increasing unemployment rates could also lead to higher default rates and impairment losses on non-property commercial and consumer loans. If either of these risks were to materialise, it could have a material adverse effect on Erste Group's financial condition and results of operations.

**Market fluctuations and volatility may adversely affect the value of Erste Group's assets, reduce profitability and make it more difficult to assess the fair value of certain of its assets.**

Financial markets have been subject to significant stress conditions since mid-2007, where steep falls in perceived or actual values of assets held by banks and other financial institutions have been accompanied by a severe reduction in market liquidity. These events have negatively affected the value of the financial assets available for sale and the financial assets held-to-maturity particularly in 2011, adversely affecting Erste Group's results of

operations for that period. Future deteriorations in economic and financial market conditions could lead to additional impairment charges or revaluation losses in future periods. Despite a recovery in economic and financial market conditions during 2012 and 2013 in most of the markets in which Erste Group is active, the value of financial assets may continue to fluctuate significantly or materially impact Erste Group's capital and comprehensive income if the fair value of financial assets declines.

Market volatility and illiquidity may make revaluation of certain exposures difficult, and the value ultimately realised by Erste Group may be materially different from the current or estimated fair value. In addition, Erste Group's estimates of fair value may differ materially both from similar estimates made by other financial institutions and from the values that would have been used if a market for these assets had been readily available. Any of these factors could require Erste Group to recognise further revaluation losses or realise impairment charges, any of which may adversely affect its business, financial condition, results of operations, liquidity or prospects.

**Erste Group is subject to the risk that liquidity may not be readily available.**

Erste Group, like many other banks, relies on customer deposits to meet a substantial portion of its funding requirements. The majority of Erste Group's deposits are retail deposits, a significant proportion of which are demand deposits. Such deposits are subject to fluctuation due to factors outside Erste Group's control, and Erste Group can provide no assurances that it will not experience a significant outflow of deposits within a short period of time. Because a significant portion of Erste Group's funding comes from its deposit base, any material decrease in deposits could have a negative impact on Erste Group's liquidity unless corresponding actions were taken to improve the liquidity profile of other deposits or to reduce liquid assets, which may not be possible on economically beneficial terms, if at all.

As credit providers, group companies of Erste Group are exposed to market liquidity risk, which arises from an inability to easily sell an asset because there is inadequate market liquidity or market disruption. They are also exposed to funding liquidity risk, which is an exposure to losses arising out of a change in the cost of refinancing, or from a spread over a certain horizon and confidence level, or from insolvency of counterparties, which may result in difficulties in meeting future payment obligations, either in full, on time or on economically beneficial terms.

Credit and money markets worldwide have experienced and continue to experience a reluctance of banks to lend to each other because of uncertainty as to the creditworthiness of the borrowing bank. Even a perception among market participants that a financial institution is experiencing greater liquidity risk may cause significant damage to the institution, since potential lenders may require additional collateral or other measures that further reduce the financial institution's ability to secure funding. This increase in perceived counterparty risk has led to further reductions in the access of Erste Group, along with other banks, to traditional sources of liquidity, and may be compounded by further regulatory restrictions on capital structures and calculation of regulatory capital ratios.

If Erste Group has difficulty in securing adequate sources of short- and long-term liquidity or if there were material deposit outflows this would have a material adverse effect on its business, financial condition and results of operations.

**Rating agencies may suspend, downgrade or withdraw a rating of Erste Group Bank or of a country where Erste Group is active, and such action might negatively affect the refinancing conditions for Erste Group Bank, in particular its access to debt capital markets.**

Erste Group Bank's credit ratings are important to its business. A rating is the opinion of a rating agency on the credit standing of an issuer, i.e., a forecast or an indicator of a possible credit loss due to insolvency, delay in payment or incomplete payment to the investors. It is not a recommendation to buy, sell or hold securities. Such credit ratings have been issued by credit rating agencies established in the European Community and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of



16 September 2009. Erste Group Bank's long-term credit ratings are: Standard & Poor's, A- (outlook negative); Moody's, Baa2 (outlook negative); and Fitch, A (outlook negative).

A rating agency may in particular suspend, downgrade or withdraw a rating. A rating may also be suspended or withdrawn if Erste Group were to terminate the agreement with the relevant rating agency or to determine that it would not be in its interest to continue to supply financial data to a rating agency. A downgrading of the rating may lead to a restriction of access to funds and, consequently, to higher refinancing costs. A rating could also be negatively affected by the soundness or perceived soundness of other financial institutions.

A rating agency may also suspend, downgrade or withdraw a rating concerning one or more countries where Erste Group operates or may publish unfavourable reports or outlooks for a region or country where Erste Group operates. Moreover, if a rating agency suspends, downgrades or withdraws a rating or publishes unfavourable reports or outlooks on Austria, this could increase the funding costs of Erste Group.

Any downgrade of the credit rating of Erste Group Bank or any member of Erste Group, or of the Republic of Austria or any other country in which Erste Group has significant operations, could have a material adverse effect on its liquidity and competitive position, undermine confidence in Erste Group, increase its borrowing costs, limit its access to funding and capital markets or limit the range of counterparties willing to enter into transactions with Erste Group and would as a consequence have a material adverse effect on its business, financial condition and results of operations.

**New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could subject Erste Group to increased capital requirements or standards and require it to obtain additional capital or liquidity in the future.**

In response to the recent global financial crisis and the on-going European sovereign debt crisis, a number of initiatives relating to the regulatory requirements applicable to European banks, including Erste Group, have been adopted or are in the process of being developed. These include the following:

- *Basel III and CRD IV/CRR.* In December 2010, the Basel Committee on Banking Supervision ("**BCBS**") published its final standards on the revised capital adequacy framework, known as Basel III, which also tighten the definition of capital and require banks to maintain capital buffers on top of minimum capital requirements. On 27 June 2013, the Capital Requirements Directive IV (Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC) ("**CRD IV**") and the Capital Requirements Regulation (Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012) ("**CRR**") transposing Basel III into EU-law, have been published.

Basel III and CRD IV/CRR are further increasing the quality and quantity of required regulatory capital (own funds), as well as the minimum capital requirements for derivative positions and introducing a new liquidity framework as well as a leverage ratio.

The CRR (an EU-regulation which directly applies in all EU-Member States without any national implementation) as well as the Austrian federal law implementing the CRD IV into Austrian law, which in particular includes amendments to the Austrian Banking Act, entered into force on 1 January 2014.

- *European Banking Authority's 2014 EU-wide Stress Test.* In order to ensure the orderly functioning and integrity of financial markets and the stability of the financial system in the EU, to monitor and assess market developments as well as to identify trends, potential risks and vulnerabilities stemming from the micro-prudential level, the European Banking Authority ("**EBA**") regularly conducts EU-wide stress tests, using consistent methodologies, scenarios and key assumptions developed in cooperation

with the European Systemic Risk Board (ESRB), the ECB and the European Commission ("**EU-Commission**").

On 31 January 2014, the EBA announced the key components of the forthcoming 2014 EU-wide stress test (the "**2014 EU-wide Stress Test**"), that has been designed also in coordination with the ECB which in preparation for the Single Supervisory Mechanism (SSM) is conducting a comprehensive assessment (for details see below). The 2014 EU-wide Stress Test is designed to provide supervisors, market participants and institutions with consistent data to contrast and compare EU-banks' resilience under adverse market conditions. To this end, the EBA will provide competent authorities with a consistent and comparable methodology, which will allow them to undertake a rigorous assessment of banks' resilience under stress. The 2014 EU-wide Stress Test will be conducted on a sample of 124 EU banks which cover at least 50% of each national banking sector, and will be run at the highest level of consolidation. In case of Erste Group, the Stress Test will be conducted not only at the (highest) level of consolidation (i.e. at the level of Erste Group Bank), but also at a sub-consolidation level of Slovenská sporiteľňa. Given its objectives, the 2014 EU-wide Stress Test will be conducted under the assumption of a static balance sheet which implies no new growth and constant business mix and model throughout the time horizon of the exercise. The resilience of EU banks will be assessed under a period of three years (2014-2016). Banks will be required to stress a common set of risks including: credit risk, market risk, sovereign risk, securitisation and cost of funding. Both trading and banking book assets will be subject to stress, including off-balance sheet exposures. Competent authorities may include additional risks and country-specific sensitivities beyond this common set but the published results should allow understanding the impact of the common set of risks in isolation. In terms of capital thresholds, 8% Common Equity Tier 1 capital ("**CET 1**") will be the capital hurdle rate set for the baseline scenario and 5.5% CET 1 for the adverse scenario. Competent authorities may set higher hurdle rates and formally commit to take specific actions on the basis of those higher requirements. The methodology and scenario has been published on 29 April 2014. The banks' individual results are expected to be released at the end of October 2014.

- *European Central Bank's comprehensive assessment in advance of supervisory role.* In a press release dated 23 October 2013, the ECB announced details of the comprehensive assessment to be conducted in preparation of assuming full responsibility for supervision as part of the single supervisory mechanism. The list of banks subject to the assessment was also published. The ECB deems the assessment as an important step in the preparation of the single supervisory mechanism and, more generally, towards greater transparency of the banks' balance sheets and consistency of supervisory practices in Europe. The assessment which has been started in November 2013 shall be completed within 12 months. Therefore, results are expected in Q4 of 2014 at the earliest. It will be carried out in collaboration with the national competent authorities of the EU-Member States that participate in the single supervisory mechanism, and will be supported by independent third parties at all levels at the ECB and at the national competent authorities. The exercise has three main goals: (i) transparency – to enhance the quality of information available on the condition of banks; (ii) repair – to identify and implement necessary corrective actions, if and where needed; and (iii) confidence building – to assure all stakeholders that banks are fundamentally sound and trustworthy. The assessment will consist of three elements: (i) a supervisory risk assessment to review, quantitatively and qualitatively, key risks, including liquidity, leverage and funding; (ii) an asset quality review to enhance the transparency of bank exposures by reviewing the quality of banks' assets, including the adequacy of asset and collateral valuation and related provisions; and (iii) a stress test to examine the resilience of banks' balance sheet to stress scenarios. These three elements are closely interlinked. The assessment will be based on a capital benchmark of 8% CET 1, drawing on the definition of the CRD IV/CRR, including transitional arrangements, for both the asset quality review and the baseline stress test scenario. The details concerning the stress test have been announced on 29 April 2014, in coordination with the EBA. The comprehensive assessment will conclude with an

aggregate disclosure of the outcomes, at country and bank level, together with any recommendations for supervisory measures. This comprehensive outcome will be published prior to the ECB assuming its supervisory role in November 2014, and will include the findings of the three pillars of the comprehensive assessment, together with any recommendations for additional supervisory measures and corrective actions affecting the Issuer and the banking environment generally. It is not yet possible to assess the impact of such measures, if any, on the Issuer or on the treatment of capital instruments. Furthermore, the disclosure of the ECB's findings or the implementation of additional supervisory measures that are viewed by the market as unfavorable to the Issuer or the Certificates could adversely affect the trading price of the Certificates.

- *Changes in Recognition of Own Funds.* Due to regulatory changes, certain existing capital instruments (which have been issued in the past) will be subject to (gradual) exclusion from own funds (phasing out) or reclassification as a lower quality form of own funds. For example, existing hybrid capital instruments will, over time, be phased out as additional tier-1 capital ("**AT 1**").
- *Privileged Treatment of Exposures to Central Governments or Central Banks of a Third Country.* The CRR allows institutions to assign a privileged risk weight to exposures to central governments or central banks of a third country which applies supervisory and regulatory requirements at least equivalent to those applied in the EU. The EU-Commission may adopt a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the EU. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment to the exposures to the central government or central bank of the third country where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014. However, the Austrian Financial Market Authority (Finanzmarktaufsichtsbehörde – "FMA") – as the relevant competent authority for Erste Group – did not approve any third countries as eligible for such privileged treatment. Erste Group has therefore concluded to continue to apply such privileged treatment to those third countries deemed eligible by Erste Group until a respective decision by the EU-Commission (but until 1 January 2015 at the latest). The discontinuation of this privileged treatment would have a negative impact on the amount of RWA and on the capital ratios.
- *Stricter and Changing Accounting Standards.* Prospective changes in accounting standards as well as those imposing stricter or more extensive requirements to carry assets at fair value, could also impact Erste Group's capital needs.
- *EU Bank Recovery and Resolution Directive.* On 12 June 2014, the Bank Recovery and Resolution Directive (Directive 2014/59/EU of the European Parliament and of the Council 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) ("**BRRD**") has been published. The BRRD will establish a framework for the recovery and resolution of credit institutions and, *inter alia*, require EU-credit institutions to draw up "recovery and resolution plans" which set out certain arrangements and measures that may be taken to restore the long-term viability of the financial institution in the event of a material deterioration of its financial position. Measures undertaken under the BRRD may also have an impact on debt instruments (in particular subordinated notes, but under certain circumstances also senior notes and Certificates) by allowing authorities to write-down such instruments or convert them into shares (see also the risk factor "*The Certificates may be subject to write down or conversion to equity upon the occurrence of a certain trigger event, which may result in Holders losing some or all of their investment in the Certificates (statutory loss absorption).*"). Besides of potentially being subject to resolution tools as set out under the BRRD, the Issuer may also be subject to national insolvency proceedings.

- *Single Resolution Mechanism for European Banks.* On 15 April 2014, the European Parliament adopted the Single Resolution Mechanism ("**SRM**") for the Banking Union. The mechanism complements the Single Supervisory Mechanism (SSM) which, once fully operational in late 2014, shall see the ECB directly supervise credit institutions in the euro area (including the Issuer) and in other EU-Member States which decide to join the Banking Union.

The SRM will be governed by (i) an SRM regulation covering the main aspects of the mechanism and (ii) an intergovernmental agreement related to some specific aspects of the Single Resolution Fund (SRF) ("**Fund**"). The SRM Regulation builds on the rulebook on bank resolution set out in the BRRD and will establish the key elements of the SRM (including scope, decision making, governance of the Board and voting modalities as well as the Fund).

The Fund shall be constituted to which all the banks in the participating EU-Member States will have to contribute. The Fund has a target level of EUR 55 billion and can borrow from the market. The Fund will be owned and administered by the Board for the SRM. The Fund shall reach a target level of at least 1% of covered deposits over an eight year period. During this transitional period, the Fund would comprise national compartments corresponding to each participating EU-Member State. The resources accumulated in those compartments would be progressively mutualised over a period of eight years, starting with 40% of these resources in the first year.

The SRM shall enter into force on 1 January 2015, and will generally apply to those institutions supervised by the ECB whereas bail-in and other resolution powers would apply from 1 January 2016, as specified under the BRRD.

- *Structural Reform of the European Banking Sector.* On 29 January 2014, the EU-Commission has proposed new rules on structural measures to improve the resilience of EU-credit institutions. The proposal aims at further strengthening the stability and resilience of the EU-banking system and shall complete the financial regulatory reforms undertaken over the last few years by setting out rules on structural changes for "too-big-to-fail banks". Therefore, the proposal focuses mainly on credit institutions with significant trading activities, whose failure could have a detrimental impact on the rest of the financial system and the whole economy. These are European credit institutions deemed to be of global systemic importance or those exceeding certain thresholds (EUR 30 billion in total assets, and trading activities either exceeding EUR 70 billion or 10% of the bank's total assets). For the time being, it remains unclear whether the Issuer would be subject to the proposal once implemented.

The proposal builds on the recommendations made by the High Level Expert Group chaired by Mr Erkki Liikanen ("**Liikanen Report**") and shall:

(i) ban proprietary trading in financial instruments and commodities (i.e. trading on own account for the sole purpose of making profit for the credit institution);

(ii) grant supervisors the power and, in certain instances, the obligation to require the transfer of other high-risk trading activities (such as market-making, complex derivatives and securitisation operations) to separate legal trading entities within the group; credit institutions shall have the possibility of not separating activities if they can show to the satisfaction of their supervisor that the risks generated are mitigated by other means; and

(iii) provide rules on the economic, legal, governance, and operational links between the separated trading entity and the rest of the banking group.

These proposed structural separation measures shall be accompanied by provisions improving the transparency of shadow banking and foresee respective transition periods: the proprietary trading ban would apply as of 1 January 2017 and the effective separation of other trading activities as of 1 July 2018.

- *Austrian Bank Intervention and Restructuring Act.* Aiming at the stabilisation of the Austrian financial market and at preventing the use of public funds for rescuing credit

institutions, the Austrian Parliament adopted the Austrian Bank Intervention and Restructuring Act (*Bankeninterventions- und –restrukturierungsgesetz*) ("**BIRG**") which entered into force on 1 January 2014. The BIRG anticipates parts of the draft BRRD, in particular by obliging Austrian credit institutions to take precautions for crisis scenarios by preparing recovery and resolution plans and providing for a legal basis for an intervention of the regulator prior to manifest infringements of law or endangerments of creditors' interests (early intervention measures) to be applied in case of a significant deterioration of the assets, earnings, liquidity or funding position of a bank.

- *Austrian FMA Supervisory Guidance.* In March 2012, the FMA and the Austrian National Bank (*Oesterreichische Nationalbank*; "**OeNB**") published supervisory guidance on the strengthening of the sustainability of the business models of large, internationally active Austrian credit institutions, which included the requirement for Austrian parent institutions to submit recovery and resolution plans before the end of 2012. The supervisory guidance foresees increased capitalisation requirements for certain banking groups (including Erste Group) reflected in the anticipating full implementation of the quantitative and qualitative Basel III rules (without any transitional provisions) with respect to CET 1. In this respect, the FMA and the OeNB indicated that they will implement an additional CET 1 requirement to banking groups at a consolidated level of up to 3% beginning in 2016, while the level of such an additional CET 1 requirement will depend on the systemic relevance of the particular banking group. In addition, strengthened local stable funding bases of subsidiaries through so-called "loan-to-local stable funding ratios", i.e., the funding of loans through the local deposit base will be required.

Additional and new regulatory requirements may be adopted in the future, and the regulatory environment in many markets in which Erste Group operates continues to develop, implement and change, including, for example, the Single Supervisory Mechanism and the Banking Union within the EU. The substance and scope of any such new laws and regulations as well as the manner in which they will be adopted, enforced or interpreted may increase Erste Group's financing costs and could have an adverse effect on Erste Group's business, financial condition, results of operations and prospects.

In addition to complying with minimum regulatory capital requirements on a consolidated level, Erste Group Bank itself is also subject to minimum regulatory capital requirements on an unconsolidated basis. Furthermore, members of Erste Group which are subject to local supervision in their country of incorporation may, on a single-entity and on a consolidated level, be required to comply with applicable local regulatory capital requirements. It is therefore possible that individual entities within Erste Group or sub-groups require more regulatory capital, even though the regulatory capital of Erste Group on a consolidated basis is sufficient.

In the course of the global financial crisis, the rules on regulatory capital for credit institutions have come under scrutiny by legislators, regulators and advisory bodies (e.g., the BCBS). Legislative or regulatory changes in the current definitions of what is deemed to qualify as CET 1 (such as minority interests) could further reduce Erste Group's CET 1-ratio or otherwise reduce the regulatory capital of Erste Group Bank or Erste Group both on a single or consolidated level. There can be no assurance that, in the event of any (further) changes of the applicable rules, adequate grandfathering or transition periods will be implemented to allow Erste Group to repay or replace such derecognised CET 1 or other regulatory capital instruments in a timely fashion or on favourable terms.

Erste Group may therefore need to obtain additional capital in the future. Such capital, whether in the form of ordinary shares or other capital recognised as regulatory capital, may not be available on attractive terms or at all. Further, any such regulatory development may expose Erste Group to additional costs and liabilities, may require it to change how it conducts its business or otherwise have a negative impact on its business, the products and services it offers and the value of its assets. There can be no assurance that Erste Group would be able to increase its regulatory capital ratios sufficiently or on time. If Erste Group is unable to increase its regulatory capital ratios sufficiently, its ratings may drop and its cost of

funding may increase, the occurrence of which could have a material adverse effect on its business, financial condition and results of operations.

**Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax.**

The future development of the Issuer's assets, financial and profit position, *inter alia*, depends on the tax framework. Every future change in legislation, case law and the tax authorities' administrative practice may negatively impact on the Issuer's assets, financial and profit position.

The Issuer is subject to bank tax (*Stabilitätsabgabe*) pursuant to the Austrian Bank Tax Act (*Stabilitätsabgabegesetz*). The tax basis is the average unconsolidated balance sheet total of the financial year ending before the calendar year in which bank tax falls due. It is reduced by secured deposits, subscribed capital and reserves, certain liabilities of credit institutions that are being wound up or that are being restructured, certain export finance related liabilities for which the Republic of Austria has posted a guarantee and certain liabilities resulting from the holding of assets on trust. Pursuant to the Austrian Tax Amendments Act of 2014 (*Abgabenänderungsgesetz 2014*) the tax rate is 0.09% for that part of the tax basis exceeding EUR 1 billion but not exceeding EUR 20 billion and 0.11% for that part exceeding EUR 20 billion. In addition, for calendar years including 2017 a surcharge to bank tax is levied.

Pursuant to the proposal by the EU-Commission for a "Council Directive implementing enhanced cooperation in the area of financial transaction tax" eleven EU Member States, *i.e.* Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain ("**Participating Member States**") shall charge a financial transaction tax ("**FTT**") on financial transactions as defined if at least one party to the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of a Participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction (residency principle). In addition, the proposal contains rules pursuant to which a financial institution and, respectively, a person which is not a financial institution are deemed to be established in the territory of a Participating Member State if they are parties to a financial transaction in certain instruments issued within the territory of that Participating Member State (issuance principle). Financial transactions related to derivatives contracts shall be taxed at a minimum rate of 0.01% on the notional amount referred to in the derivatives contract; all other financial transactions (*e.g.* the purchase and sale of shares, bonds and equivalent securities, money market instruments or fund units) shall be taxed at a minimum rate of 0.1% with the taxable amount being everything which constitutes consideration paid or owed from the counterparty or a third party in return for the transfer. The proposal provides for the FTT to apply as of 1 January 2014 (which deadline, however, has obviously not been met). It is unclear whether the FTT will be introduced in the proposed form. The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Certificates (including secondary market transactions) in certain circumstances. If the FTT is introduced, due to higher costs for investors there is a risk that it would result in fewer transactions taking place, thereby negatively affecting the earnings of the Issuer. Prospective holders of the Certificates are advised to seek their own professional advice in relation to the FTT.

**The Issuer may not be able to meet the minimum requirement for own funds and eligible liabilities.**

The BRRD will require EU-Member States to ensure that institutions meet at all times (on an individual basis and in case of EU parent undertakings (such as the Issuer) also on a consolidated basis) a minimum requirement for own funds and eligible liabilities. Such minimum requirement shall be determined by the resolution authority and shall be calculated as the amount of own funds and eligible liabilities expressed as a percentage of the total liabilities and own funds of the institution. There is a risk that the Issuer may not be able to meet these minimum requirements for own funds and eligible liabilities

which could materially adversely affect the Issuer's ability to make payments on the Certificates.

**In future, the Issuer will be obliged to contribute amounts to the Single Resolution Fund and ex ante funds to Deposit Guarantee Schemes.**

The SRM includes establishing a Single Resolution Fund (SRF) ("**Fund**") to which all the banks in the participating EU-Member States have to contribute.

In addition, for the first time since the introduction of Deposit Guarantee Schemes ("**DGS**") in 1994, there are financing requirements for DGS in the DGS-Directive (i.e. the Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit-guarantee schemes). In principle, the target level for ex ante funds of DGS is 0.8% of covered deposits to be collected from credit institutions over a 10-year period. In addition to ex ante contributions, if necessary, credit institutions will have to pay additional (ex post) contributions to a certain extent, which will be limited in order to avoid pro-cyclicality and worsening financial situation of healthy banks.

The obligation to contribute amounts for the establishment of the Fund and the ex ante funds to the DGS will result in additional financial burdens for the Issuer and thus may materially adversely affect the financial position of the Issuer and the results of its business, financial condition and results of operations.

**In future, the Issuer may be obliged to stop proprietary trading and/or separate certain trading activities from its core banking business.**

The new rules on structural reform of EU credit institutions proposed by the EU-Commission shall apply to "too-big-to-fail banks", i.e. only to the largest and most complex of EU credit institutions whose failure could have a detrimental impact on the rest of the financial system and the whole economy.

In order to prevent this risk from materialising, the proposed regulation would impose a ban on speculative activities (proprietary trading, i.e. trading using own money as opposed to on behalf of customers) and caters for the potential separation of other risky trading activities carried out by these credit institutions.

Provided that the Issuer will be subject to these new rules, this could reduce potential implicit subsidies and profits from trading activities, may lead to higher funding costs for these trading activities and also trigger operational costs related to the separation of some trading activities in a specific legal entity and thus may materially adversely affect the financial position of the Issuer and the results of its business, financial condition and results of operations.

**Erste Group's risk management strategies and internal control procedures may leave it exposed to unidentified or unanticipated risks.**

Erste Group's risk management techniques and strategies have not been, and may in the future not be, fully effective in mitigating Erste Group's risk exposure in all economic market environments or against all types of risks, including risks that it fails to identify or anticipate. Furthermore, regulatory audits or other regular reviews of the risk management procedures and methods have in the past detected, and may in the future detect, weaknesses or deficiencies in Erste Group's risk management systems. Some of Erste Group's quantitative tools and metrics for managing risks are based upon its use of observed historical market behavior. Erste Group applies statistical and other tools to these observations to arrive at quantifications of risk exposures. During the recent financial crisis, the financial markets experienced unprecedented levels of volatility (rapid changes in price direction) and the breakdown of historically observed correlations (the extent to which prices move in tandem) across asset classes, compounded by extremely limited liquidity. In this volatile market environment, Erste Group's risk management tools and metrics failed to predict some of the

losses it experienced and may in the future under similar conditions of market disruption fail to predict future important risk exposures. In addition, Erste Group's quantitative modelling does not take all risks into account and makes numerous assumptions regarding the overall environment, which may or may not materialise. As a result, risk exposures have arisen and could continue to arise from factors not anticipated or correctly evaluated in Erste Group's statistical models.

This has limited and could continue to limit Erste Group's ability to manage its risks, especially in light of the ongoing European sovereign debt crisis, many of the outcomes of which are currently unforeseeable. If circumstances arise that Erste Group did not identify, anticipate or correctly evaluate in developing its statistical models, losses could be greater than the maximum losses envisaged under its risk management system. Furthermore, the quantifications do not take all risks or market conditions into account. If the measures used to assess and mitigate risks prove insufficient, Erste Group may experience material unanticipated losses, which could have a material adverse effect on its business, financial condition and results of operations.

**Erste Group's business entails operational risks.**

Erste Group is exposed to operational risk, which is the risk of loss resulting from inadequacy or failure of internal processes, people, or systems or from external events. Erste Group is susceptible to, among other things, fraud by employees or outsiders, including unauthorised transactions and operational errors, clerical or record-keeping errors and errors resulting from faulty computer or telecommunications systems. Given Erste Group's high volume of transactions, fraud or errors may be repeated or compounded before they are discovered and rectified. Consequently, any inadequacy of Erste Group's internal processes or systems in detecting or containing such risks could result in unauthorised transactions and errors, which may have a material adverse effect on Erste Group's business, financial condition, results of operations and prospects. Erste Group may also suffer service interruptions from time to time due to failures by third-party service providers and natural disasters, which are beyond its control. Such interruptions may result in interruptions in services to Erste Group's subsidiaries and branches and may impact customer service.

**Erste Group may have difficulty recruiting or retaining qualified employees.**

Erste Group's existing operations and ability to enter new markets depend on its ability to retain existing employees and to identify and recruit additional individuals who are not only familiar with the local language, customs and market conditions, but also have the necessary qualifications and level of experience in banking. In many of the CEE markets in which Erste Group currently operates, the pool of individuals with the required set of skills is smaller than in most Western European countries. Increasing competition for labour in Erste Group's core markets from other international financial institutions may also make it more difficult for Erste Group to attract and retain qualified employees and may lead to rising labour costs in the future. Moreover, if caps or further restrictions under the CRD IV were to be imposed on salaries or bonuses paid to executives of Erste Group Bank or its subsidiaries (including caps imposed by governments in connection with extending support to Erste Group), Erste Group's ability to attract and retain high-quality personnel could be limited and could result in losses of qualified personnel. If Erste Group is unable to attract and retain new talent in key strategic markets or if competition for qualified employees increases its labour costs, this could have a material adverse effect on Erste Group's business, financial condition and results of operations.

**Any failure or interruption in or breach of Erste Group's information systems, and any failure to update such systems, may result in lost business and other losses.**

Erste Group relies heavily on information systems to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions in its risk management, general ledger, deposit servicing or loan origination systems. If Erste Group's information systems, including its back-up systems, were to fail, even for a short period of time, or its business continuity plans for cases of emergency would prove



ineffective, it could be unable to serve some customers' needs on a timely basis and could thus lose their business

Likewise, a temporary shutdown of Erste Group's information systems could result in costs that are required for information retrieval and verification. There can be no assurances that such failures or interruptions will not occur or that Erste Group can adequately address them if they do occur. Accordingly, the occurrence of such failures or interruptions could have a material adverse effect on Erste Group's business, financial condition, results of operations and prospects. In addition, there can be no assurances that the rollout or implementation of any new systems or processes will provide the desired benefit to Erste Group's business, or will not involve failures or business interruptions that could have a material adverse effect on its business, financial condition, results of operations and prospects. To a limited extent, Erste Group has outsourced certain IT services and operations to external service providers and may in the future expand the scope of outsourcing arrangements in order to optimise its costs structure and increase flexibility. Unsatisfactory quality of the external providers' services could heighten or exacerbate risks associated with the failure or interruption of its information systems as well as result in additional operational deficiencies or reputational risk.

**Erste Group Bank may be required to provide financial support to troubled banks in the *Haftungsverbund*, which could result in significant costs and a diversion of resources from other activities.**

In 2002, the *Haftungsverbund* was formed pursuant to a set of agreements (*Grundsatzvereinbarung*) among the majority of Austrian savings banks. The purpose of the *Haftungsverbund* was to establish a joint early-warning system as well as a cross-guarantee for certain liabilities of the member savings banks and to strengthen the cooperation of the Savings Banks Sector (except UniCredit Austria AG) in the Austrian market.

In 2013, the cooperation between the savings banks was intensified. The aim of the new agreement which entered into force on 1 January 2014, is the intensification of the group steering, the setting up of an institutional protection scheme (Article 113 (7) CRR) and a cross-guarantee scheme (Article 4 (1) (127) CRR) in order to fulfil the requirements of Article 84 (6) CRR to recognize any minority interest arising within the cross-guarantee scheme in full and in light of IFRS 10 to strengthen Erste Group Bank's power in the provisions of the agreement governing the *Haftungsverbund*.

Under the *Haftungsverbund*, Erste Group Bank and all other member savings banks are obliged to provide financially troubled members with specified forms of financial and management support and, in the event of a member's insolvency, to contribute to the repayment of certain protected deposits. Under the *Haftungsverbund*, member savings banks are also required to follow specific credit and risk management guidelines for providing and managing loans and for identifying, measuring, managing and limiting risks. This is effectively set and monitored indirectly by Erste Group Bank although Erste Group Bank does not exercise direct operational control over the management of the member savings banks. These requirements are often more detailed and strict than those previously in place at certain of the individual savings banks. Erste Group Bank may be required to provide support and repay certain protected deposits even where there has been non-compliance by one or more members of the *Haftungsverbund* with the risk management requirements, although Erste Group Bank may exercise little direct control over the management of the member savings bank. Consequently, Erste Group Bank's ability to manage the risk associated with the financial obligations it has assumed under the *Haftungsverbund* will depend on its ability to enforce the risk management requirements of the system. Erste Group Bank may be obliged to provide liquidity, take other measures and incur significant costs in the event that another savings bank in the *Haftungsverbund* experiences financial difficulties or becomes insolvent or in order to prevent one of the savings banks from experiencing financial difficulties. This could require Erste Group Bank to utilise resources in a manner that could have a material adverse effect on Erste Group Bank's business, financial condition and results of operations.

**Changes in interest rates are caused by many factors beyond Erste Group's control, and such changes can have significant adverse effects on its financial results, including net interest income.**

Erste Group derives the majority of its operating income from net interest income. Interest rates are sensitive to many factors beyond Erste Group's control, such as inflation, monetary policies set by central banks and national governments, the liberalisation of financial services and increased competition in the markets in which Erste Group operates, domestic and international economic and political conditions, as well as other factors. Changes in interest rates can affect the spread between the rate of interest that a bank pays to borrow funds from its depositors and other lenders and the rate of interest that it charges on loans it extends to its customers. If the interest margin decreases, net interest income will also decrease unless Erste Group is able to compensate such decrease by increasing the total amount of funds it lends to its customers. A decrease in rates charged to customers will often have a negative effect on margins, particularly when interest rates on deposit accounts are already very low, since a bank may have little ability to make a corresponding reduction in the interest it pays to lenders. An increase in rates charged to customers can also negatively impact interest income if it reduces the amount of customer borrowings. For competitive reasons, Erste Group may also choose to raise rates of interest it pays on deposits without being able to make a corresponding increase in the interest rates it charges to its customers. Finally, a mismatch in the structure of interest-bearing assets and interest-bearing liabilities in any given period could, in the event of changes in interest rates, reduce Erste Group's net interest margin and have a material adverse effect on its net interest income and, thereby, its business, results of operation and financial condition.

**Since a large part of Erste Group's operations, assets and customers are located in CEE countries that are not part of the Eurozone, Erste Group and its customers are exposed to currency risks.**

A large part of Erste Group Bank's and Erste Group's operations, assets and customers are located in CEE countries that are not part of the Eurozone (i.e., that do not use the Euro as their legal tender), and financial transactions in currencies other than the Euro give rise to foreign currency risks. In addition to loans denominated in local CEE currencies, many of Erste Group's retail and corporate customers in Hungary, Romania, Croatia, Serbia and Austria have taken out loans which are denominated in currencies other than their relevant local currencies (primarily in EUR, USD and CHF). To the extent that the local currencies decline in value, or in the future will decline in value, relative to the currency in which such loans were made, borrowers will need to convert a larger amount of local currency into the currency in which the loan is denominated in order to make payments of principal and interest on the loan. In this scenario, Erste Group anticipates a higher number of loan defaults in these countries. Alternatively, local governments may undertake measures that affect currency levels and exchange rates and impact Erste Group's credit exposure to such currencies, such as the Swiss National Bank's setting of a minimum exchange rate against the Euro in September 2011 or Hungary's introduction of a law allowing consumers to repay foreign currency loans at fixed exchange rates below market exchange rates. Moreover, there can be no assurances that similar measures will not be introduced or imposed on other customer segments or countries as well. Further, the impact of court decisions invalidating clauses used in foreign currency loans, or replacing them with clauses more onerous on the lender, may have negative effects. In a recent decision concerning a dispute of a client with a Hungarian competitor of Erste Bank Hungary, the Hungarian Supreme Court established that the use of the exchange rate gap was unfair and that the official medium exchange rate of the Hungarian National Bank must be used for calculation. This judicial development could have also negative effects on other Hungarian banks, including Erste Bank Hungary, causing additional costs or provisions.

In addition, the equity investments that Erste Group Bank has in its non-Eurozone subsidiaries, and the income and assets, liabilities and equity of non-Eurozone subsidiaries, when translated into Euro, may also be lower due to devaluation of their local currencies vis-à-vis the Euro. Erste Group hedges its foreign currency exposure related to capital investments in its foreign subsidiaries only to a limited extent. These and other effects of

currency devaluation could have a material adverse effect on Erste Group Bank's and Erste Group's business, financial condition, regulatory capital ratios, results of operations and prospects.

**Erste Group may be unable to achieve the return to profitability of BCR or may be required to recognize further impairment charges resulting from previous acquisitions.**

Erste Group's results of operations in the current financial year and in the future will depend in part on the return to profitability of its Romanian subsidiary, Banca Comercială Română S.A. ("**BCR**"). BCR has sustained significant losses in the past and may not achieve to significantly decrease its risk provisions for loans and advances and improve its overall risk situation in Romania. Erste Group may be unable to achieve the return to profitability of BCR, which could have a material adverse effect on the Certificates.

Erste Group may be required to recognize further impairment charges resulting from previous acquisitions.

The carrying amount of goodwill on Erste Group's consolidated balance sheet would be reduced in the event that the effects of an economic downturn, persistent stagnation or slower return to projected economic growth, increased competition or any other adverse event caused Erste Group's estimate of the businesses' future cash flows to be revised downwards or if the rate used to discount the cash flows is increased. Depending on the size of the reduction in goodwill, such a reduction could have a material adverse effect on Erste Group's results of operations in that period, on the reported amount of its assets and on its equity, and on Erste Group's ability to make payments on the Certificates.

**A change of the ECB's collateral standards could have an adverse effect on the funding of Erste Group and access to liquidity.**

As a result of the funding pressures arising from the European sovereign debt crisis, there has been increased intervention by a number of central banks, in particular the ECB. Among other measures, the ECB has agreed to provide low-interest secured loans to European financial institutions for up to three years and lowered the requirements for collateral. As of the date of this Prospectus, the ECB accepts certain instruments issued by Erste Group Bank as collateral for its tenders. If the ECB were to restrict its collateral standards or if it would increase the rating requirements for collateral securities, this could increase Erste Group's funding costs and limit Erste Group's access to liquidity, especially where deposits or other sources of liquidity are inadequate in the short term, and accordingly have an adverse effect on Erste Group's business, financial condition and results of operations.

**Erste Group operates in highly competitive markets and competes against large international financial institutions as well as established local competitors.**

Erste Group faces significant competition in all aspects of its business, both in Austria and CEE. Erste Group competes with a number of large international financial institutions and local competitors. If Erste Group is unable to respond to the competitive environment in these markets with product and service offerings that are profitable, it may lose market shares in important parts of its business or incur losses on some or all of its activities.

The trend towards consolidation in the global financial services industry, which has increased due to the recent financial and economic crisis, is creating competitors with extensive ranges of product and service offerings, increased access to capital and greater efficiency and pricing power. These global financial institutions may be more appealing to customers, especially large corporate customers, because of their larger international presence or financial resources. In addition, in some markets, in particular Austria and Hungary, Erste Group faces competition from established local banks which operate a larger number of branches, offer customers a broader range of banking and financial products and services, and benefit from relationships with a large number of existing customers.

Erste Group faces strong competition in Austria not only from UniCredit Bank Austria AG and the Raiffeisen banks, but also from large international banks and new entrants from neighbouring countries. As a result of this competition, in particular in the retail segment, net interest margins have historically been very low. Failure to maintain net interest margins at

current levels may have a significant negative impact on the Group's financial condition and results of operations.

As banking markets in CEE mature, Erste Group expects increased competition from global financial institutions and local competitors, with the level of increased competition likely to vary from country to country. Erste Group's ability to compete effectively will depend on the ability of its businesses to adapt quickly to market and industry trends. If Erste Group fails to compete effectively, or if governmental action in response to financial crises or economic downturns results in it being placed at a competitive disadvantage, Erste Group's business, financial condition and results of operations may be adversely affected.

**Erste Group Bank's major shareholder may be able to control shareholder actions.**

As of 14 March 2014, 20.2% of the shares in Erste Group Bank were attributed to DIE ERSTE Österreichische Spar-Casse Privatstiftung ("**Erste Stiftung**"). Erste Stiftung has the right to appoint one third of the members of the Supervisory Board of Erste Group Bank who were not delegated by the employees' council, however, Erste Stiftung has not exercised its appointment right, so that all of the Supervisory Board members who were not delegated by the employees' council have been elected by the shareholders' meeting.

In addition, because voting is based on the number of shares present or represented at a shareholders' meeting rather than the total number of shares outstanding, the ability of major shareholders to influence a shareholder vote on subjects which require a majority vote will often be greater than the percentage of outstanding shares owned by them. Under Austrian corporate law and the articles of association of the Issuer, a shareholder that holds more than 25% of Erste Group Bank's shares is able to block a variety of corporate actions requiring shareholder approval, such as the creation of authorised or conditional capital, changes in the purpose of Erste Group Bank's business, mergers, spin-offs and other business combinations. As a result, Erste Stiftung will be able to exert significant influence on the outcome of any shareholder vote and may, depending on the level of attendance at a shareholders' meeting, be able to control the outcome of most decisions requiring shareholder approval. Therefore, it is possible that in pursuing these objectives Erste Stiftung may exercise or be expected to exercise influence over Erste Group in ways that may not be in the interest of other shareholders.

**Compliance with anti-money laundering, anti-corruption and anti-terrorism financing rules involve significant costs and efforts and non-compliance may have severe legal and reputational consequences.**

Erste Group is subject to rules and regulations regarding money laundering, corruption and the financing of terrorism. These rules and regulations have been tightened in recent years and will be further tightened and more strictly enforced in the future, in particular by implementing the 4<sup>th</sup> Anti-Money Laundering Directive. Monitoring compliance with anti-money laundering, anti-corruption and anti-terrorism financing rules can result in a significant financial burden on banks and other financial institutions and can pose significant technical problems. Erste Group cannot guarantee that it is in compliance with all applicable anti-money laundering, anti-corruption and anti-terrorism financing rules at all times or that its Group-wide anti-money laundering, anti-corruption and anti-terrorism financing standards are being consistently applied by its employees in all circumstances. Any violation of anti-money laundering, anti-corruption or anti-terrorism financing rules, or even alleged violations, may have severe legal, monetary and reputational consequences and could have a material adverse effect on Erste Group's business, financial condition and results of operations.

**Changes in consumer protection laws as well as the application or interpretation of such laws might limit the fees and other pricing terms that Erste Group may charge for certain banking transactions and might allow consumers to claim back certain of those fees already paid in the past.**

Changes in consumer protection laws or the interpretation of consumer protection laws by courts or governmental authorities could limit the fees that Erste Group may charge for certain of its products and services and thereby result in lower commission income. Moreover, as

new laws and amendments to existing laws are adopted in order to keep pace with the continuing transition to market economies in some of the CEE countries in which Erste Group operates, existing laws and regulations as well as amendments to such laws and regulations may be applied inconsistently or interpreted in a manner that is more restrictive. Several subsidiaries of Erste Group in CEE countries have been named in their respective jurisdictions as defendants in a number of lawsuits and in regulatory proceedings filed by individual customers, regulatory authorities or consumer protection agencies and associations. Some of the lawsuits are class actions. The lawsuits mainly relate to allegations that certain contractual provisions, particularly in respect of consumer loans, violate mandatory consumer protection laws and regulations. The allegations relate to the enforceability of certain fees as well as of contractual provisions for the adjustment of interest rates and currencies. Moreover, any such changes in consumer protection laws or the interpretation of such laws by courts or governmental authorities could impair Erste Group's ability to offer certain products and services or to enforce certain clauses and reduce Erste Group's net commission income and have an adverse effect on its results of operations.

**The integration of potential future acquisitions may create additional challenges.**

Erste Group may in the future seek to make acquisitions to support its business objectives and complement the development of its business in its existing and new geographic markets. Such strategic transactions demand significant management attention and require Erste Group to divert financial and other resources that would otherwise be available for its existing business, and the benefits of potential future acquisitions may take longer to realise than expected and may not be realised fully or at all. There can be no assurance that Erste Group will be able to successfully pursue, complete and integrate any future acquisition targets. In addition, there can be no assurance that it will be able to identify all actual and potential liabilities to which an acquired business is exposed prior to its acquisition. Any of these factors could lead to unexpected losses following the acquisition, which may have a material adverse effect on Erste Group's business, financial condition and results of operations.

## **2.1.2 Risks related to the markets in which Erste Group operates**

**The departure of any one or more countries from the Eurozone could have unpredictable consequences for the financial system and the greater economy, potentially leading to declines in business levels, write-downs of assets and losses across Erste Group's business.**

Should a Eurozone country conclude that it must exit the common currency, the resulting need to reintroduce a national currency and restate existing contractual obligations could have unpredictable financial, legal, political and social consequences. Given the highly interconnected nature of the financial system within the Eurozone and the levels of exposure Erste Group has to public and private counterparties across Europe, its ability to plan for such a contingency in a manner that would reduce its exposure to non-material levels is limited. If the overall economic climate deteriorates as a result of one or more departures from the Eurozone, nearly all of Erste Group's segments could be materially adversely affected.

If European policymakers are unable to contain the European sovereign debt crisis, Erste Group's results of operations and financial position would likely be materially adversely affected as Erste Group may be required to take further write-downs on its sovereign debt exposures and other assets as the macroeconomic environment deteriorates. In addition, the possibility exists that one or more members of the Eurozone may leave the common currency, resulting in the reintroduction of one or more national currencies in such countries. The effects of such an event are difficult to anticipate and may have a substantial negative effect on Erste Group's business and outlook, including as a consequence of adverse impacts on economic activity both within and outside the Eurozone.

The deterioration of the sovereign debt market in the Eurozone and CEE, particularly the increasing costs of borrowing affecting many Eurozone states late in 2011 and downgrades in credit rating of most Eurozone countries in 2011 and 2012, indicate that the sovereign debt

crisis can affect even the financially most stable countries in the Eurozone. While the costs of borrowing declined again throughout 2012, considerable doubt remains whether actions taken by European policymakers will be sufficient to contain or overcome the crisis over the medium to longer term. In particular, further credit rating downgrades of EU Member States, such as France and Austria, may threaten the effectiveness of the European Financial Stability Facility ("EFSF") or the European Stability Mechanism ("ESM"). Since the EFSF's and ESM's credit ratings are based on the ratings of its financing members, the reduction of these members' ratings may increase the borrowing costs of the EFSF or ESM such that its ability to raise funds to assist Eurozone governments would be reduced. In addition, the austerity programmes introduced by a number of countries across the Eurozone in response to the sovereign debt crisis may have the effect of dampening economic growth over the short, medium or long term. Declining rates of economic growth in Eurozone countries could exacerbate their difficulties in refinancing their sovereign debt as it comes due, further increasing pressure on other Eurozone governments.

**Erste Group operates in emerging markets that may experience rapid economic or political changes, either of which may adversely impact its financial performance and results of operations.**

Erste Group operates in emerging markets throughout CEE. In recent years, certain of these countries have undergone substantial political, economic and social change. As is typical for emerging markets, they do not have in place the full business, legal and regulatory structures that would commonly exist in more mature free market economies. As a result, Erste Group's operations are exposed to risks common to regions undergoing rapid political, economic and social change, including currency fluctuations, exchange control restrictions, an evolving regulatory environment, inflation, economic recession, local market disruption and labour unrest. Macroeconomic events, such as recession, deflation or hyper-inflation, may lead to an increase in defaults by Erste Group's customers, which would adversely impact Erste Group's results of operations and financial condition. Political or economic instability resulting from, or causing, the occurrence of any of these risks would also adversely affect the market for Erste Group's products and services. The level of risk that Erste Group faces differs significantly by country.

**Committed EU funds may not be released or further aid programmes may not be adopted by the EU.**

In addition to Greece, Ireland and Portugal, some of the CEE countries in which Erste Group operates, including Serbia and Romania, have been promised funds for infrastructure and other projects in substantial amounts by the EU and international credit institutions, including the European Bank for Reconstruction and Development ("EBRD"), the International Monetary Fund ("IMF") and the European Investment Bank ("EIB"). To the extent these funds will not be released, are released only in part or with delay, or if no further aid will be made available by the EU and the international credit institutions, the relevant national economies could be adversely affected, which would, in turn, negatively affect Erste Group's business in the respective countries.

**Loss of customer confidence in Erste Group's business or in banking businesses generally could result in unexpectedly high levels of customer deposit withdrawals, which could have a material adverse effect on the Group's results, financial condition and liquidity.**

The availability of Erste Group's customer deposits to fund its loan portfolio is subject to potential changes in certain factors outside Erste Group's control, such as a loss of confidence of depositors in either the economy in general, the financial services industry or Erste Group specifically, ratings downgrades and significant further deterioration in economic conditions. These factors could lead to a reduction in Erste Group's ability to access customer deposit funding on appropriate terms in the future and to sustained deposit outflows, both of which would adversely impact Erste Group's ability to fund its operations. Any loss in customer confidence in Erste Group's banking businesses, or in banking businesses generally, could significantly increase the amount of deposit withdrawals in a short period of

time. Should Erste Group experience an unusually high level of withdrawals, this may have an adverse effect on Erste Group's results, financial condition and prospects and could, in extreme circumstances, prevent Erste Group from funding its operations. In such extreme circumstances Erste Group may not be in a position to continue to operate without additional funding support, which it may be unable to access.

**Liquidity problems experienced by certain CEE countries may adversely affect the broader CEE region and could negatively impact Erste Group's business results and financial condition.**

Certain countries where Erste Group has operations may encounter severe liquidity problems. In the past, Romania, and Serbia have turned to international institutions for assistance, and other countries in the CEE region may be forced to do the same. If such liquidity problems should occur, this could have significant consequences throughout the region, including foreign banks withdrawing funds from their CEE subsidiaries, regulators imposing limitations to freely transfer liquidity, thereby weakening local economies, affecting customers of Erste Group who borrow from a number of different banks and weakening Erste Groups liquidity position. This could also lead to an increase of defaults throughout the economy or by Erste Group customers and, accordingly, could have a material adverse effect on Erste Group's business, financial condition and results of operation.

**Governments in countries in which Erste Group operates may react to financial and economic crises with increased protectionism, nationalisations or similar measures.**

Governments in CEE countries in which Erste Group operates could take various protectionist measures to protect their national economies, currencies or fiscal income in response to financial and economic crises, including among other things:

- allow for loans denominated in foreign currencies like EUR, USD or CHF to be converted into local currencies at below market rates, such as occurred in Hungary in 2011, or allow loans to be assumed by government entities, potentially resulting in a reduction in value for such loans;
- set limitations on the repatriation of profits (either through payment of dividends to their parent companies or otherwise) or export of foreign currency;
- set out regulations limiting interest rates and fees for services that can be charged and other terms and conditions;
- prohibit money transfers abroad by banks receiving state support measures (e.g., loans granted to banks from sovereigns or covered by sovereign deposit guarantees);
- introduce or increase banking taxes or legislation imposing levies on financial transactions or income generated through banking services or extend such measures previously introduced on a temporary basis; and
- nationalisation of local banks, with or without compensation, in order to stabilise the banking sector and the economy.

Any of these or similar state actions could have a material adverse effect on Erste Group's business, financial condition and results of operations.

**Erste Group may be adversely affected by slower growth or recession in the banking sector in which it operates as well as slower expansion of the Eurozone and the EU.**

Banking sector growth in the countries in which Erste Group operates has significantly declined compared to years prior to 2008. As the economies in CEE mature, particularly in the Czech Republic and Slovakia, growth in the banking sector can be expected to slow further in these regions. Of the countries in which Erste Group has significant operations, the Czech Republic, Hungary and Slovakia joined the EU in 2004; Romania joined the EU in 2007; and Croatia in July 2013. Economic growth in the region may be further constrained in coming years by continuing effects of the recent credit crisis and recession, as well as a

slowing expansion of the Eurozone and the EU and increasing constraints on the EU budget, which may reduce various subsidies to CEE countries. In addition, EU legal, fiscal and monetary regulations may limit a country's ability to respond to local economic conditions. Moreover, some of these countries are expected to raise tax rates and levies to EU standards or introduce new taxes in order to provide social protection for unemployed workers and others affected by the economic downturn and to put public sector finance on a more sustainable basis, which could also limit their growth rates.

**The legal systems and procedural safeguards in many CEE countries and, in particular, in the Eastern European countries are not yet fully developed.**

The legal and judicial systems in some of the markets where Erste Group operates are less developed than those of other European countries. Commercial law, competition law, securities law, company law, bankruptcy law and other areas of law in these countries have been and continue to be subject to constant changes as new laws are being adopted in order to keep pace with the transition to market economies. In this regard, the laws of some of the jurisdictions where Erste Group operates may not be as favourable to investors' interests as the laws of Western European countries or other jurisdictions with which prospective investors may be familiar. Existing laws and regulations in some countries in which Erste Group operates may be applied inconsistently or may be interpreted in a manner that is restrictive and non-commercial. It may not be possible, in certain circumstances, to obtain legal remedies in a timely manner in these countries. The relatively limited experience of a significant number of judges and magistrates practising in these markets, particularly with regard to securities laws issues, and the existence of a number of issues relating to the independence of the judiciary may lead to unfounded decisions or to decisions based on considerations that are not founded in the law. In addition, resolving cases in the judicial systems of some of the markets where Erste Group operates may at times involve very considerable delays. This lack of legal certainty and the inability to obtain effective legal remedies in a timely manner may adversely affect Erste Group's business.

**Applicable bankruptcy laws and other laws and regulations governing creditors' rights in various CEE countries may limit Erste Group's ability to obtain payments on defaulted loans and advances.**

Bankruptcy laws and other laws and regulations governing creditors' rights vary significantly among countries in the CEE. In some countries, the laws offer significantly less protection for creditors than the bankruptcy regimes in Western Europe. In addition, it is often difficult to locate all of the assets of an insolvent debtor in CEE countries. Erste Group's local subsidiaries have at times had substantial difficulties receiving pay-outs on claims related to, or foreclosing on collateral that secures, extensions of credit that they have made to entities that have subsequently filed for bankruptcy protection. In the event of further economic downturns, these problems could intensify, including as a result of changes in law or regulations intended to limit the impact of economic downturns on corporate and retail borrowers. These problems, if they were to persist or intensify, may have an adverse effect on Erste Group's business, results of operations and financial condition.

**Erste Group may be required to participate in or finance governmental support programs for credit institutions or finance governmental budget consolidation programmes, including through the introduction of banking taxes and other levies.**

If a major bank or other financial institution in Austria or the CEE markets where Erste Group has significant operations were to suffer significant liquidity problems, risk defaulting on its obligations or otherwise potentially risk declaring bankruptcy, the local government might require Erste Group Bank or a member of Erste Group to provide funding or other guarantees to ensure the continued existence of such institution. This might require Erste Group Bank or one of its affiliates to allocate resources to such assistance rather than using such resources to promote other business activities that may be financially more productive, which could have an adverse effect on Erste Group's business, financial condition or results of operations.



## **2.2 Factors which are material for the purpose of assessing the market risks associated with Certificates issued under the Programme**

**Prospective Security Holders of the Certificates, which are the subject of the Base Prospectus or of the Final Terms, should consider the following risk factors, which are material to assess the risks associated with the Certificates, when making their investment decision and should make such decision only on the basis of the Base Prospectus as a whole and including the Final Terms.**

**No person should acquire Certificates without a thorough understanding of the mechanism of the relevant Certificates and without being aware of the potential risk of loss. Any prospective Security Holder should carefully examine whether an investment in the Certificates is appropriate given his or her personal circumstances and financial situation.**

The risk factors herein are organised into the following sub-sections below:

2.2.1. General risk factors

2.2.2. Risk factors associated with certain types of Certificates

2.2.3. Risk factors associated with certain types of Underlyings

2.2.4. Risk factors relating to conflicts of interest

### **2.2.1 General risk factors**

**The Certificates are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high; the Certificates do not, unless expressly provided, yield any current income.**

The Certificates are tradable securities that enable Security Holders to participate in the performance of a particular Underlying without having to purchase such Underlying.

The Certificates grant holders the right to a Cash Amount on maturity of the Certificates. Claims for delivery of definitive securities are precluded.

The calculation of the Cash Amount depends in principle on the performance (so-called "**Performance**") of an Underlying during the term of the Certificates.

There is a relationship between the economic value of the Certificates and the economic value of the Underlying. The value of the Certificate will typically fall (i.e. without taking into account other features and other factors that are determinative of the price of securities) if the price of the Underlying falls. The Certificates may however be structured in such a way – as in the case of reverse structures – so that a Security may decrease in value (without taking into account other features and other factors that are determinative of the price of securities) if the value of the Underlying increases. This is the case with, for example, Reverse Bonus Certificates.

As a matter of principle the Cash Amount is calculated on the basis of a reference price, the Multiplier and other factors, as the case may be. The Multiplier specifies how many units of the Underlying the Certificate corresponds to. The Multiplier is expressed as a decimal, so a Multiplier of e.g. 0.01 indicates that a Security corresponds to one-hundredth of a unit of the Underlying.

A Certificate does not, unless expressly provided, confer a right to receipt of dividend payments and does not confer a right to an interest payment, so does not provide a current yield. This means that potential losses in value of the Certificate may not be compensated by income generated by the Certificate.

**Certificates with a Participation Factor include the risk of the Security Holder's participation being disproportionately lower or higher than any price fluctuations of the Underlying.**

If a Participation Factor is applicable, the Security Holder participates in the performance of the Underlying based on a certain factor. Depending on the Certificate, a Participation Factor other than one (1) may, subject to further features influencing the value of the Underlying, result in the Security Holder's participation being disproportionately lower or higher than any price fluctuations of the Underlying.

**The Certificates may have no liquidity or the market for such Certificates may be limited and this may adversely impact their value or the ability of the Security Holder to dispose of them.**

Unless otherwise communicated by the Issuer to the purchaser of the Certificates, or to the extent that the rules of any stock exchange on which the Certificates are listed and admitted to trading require the Issuer to provide liquidity in respect of such Certificates, the Certificates may have no liquidity or the market for such Certificates may be limited and this may adversely impact their value or the ability of the purchaser of Certificates to dispose of them.

The Issuer is not under an obligation, or makes any commitment, to make a market in or to repurchase the Certificates. If the Issuer does make a market for the Certificates, it may cease to do so at any time without notice. Purchasers should therefore not assume that the Certificates can be sold at a specific time or at a specific price during their life. The Issuer has no obligation to provide any quotation of bid or offer price(s) of the Certificates which is favourable to any purchaser of the Certificates. Although application may be made for Certificates issued under this Prospectus to be admitted to trading on a stock exchange, there is no assurance that such application will be accepted, that any particular Certificates will be so admitted or that an active trading market for the Certificates will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Certificates. The Issuer does not assume any responsibility for, or makes any commitment to, any potential purchaser of any particular Certificates for such development or liquidity of any trading market for such Certificates.

**Security Holders should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Underlying disproportionately and even render it worthless and that there is no assurance that in the case of Certificates with a limited term, the price of the Certificate will recover in time.**

The pricing of the Certificates is determined by several factors during their term. In addition to the term of the Certificates, in particular the solvency of the Issuer is relevant.

The Certificates may be traded over the counter and/or on a stock exchange throughout their term. In contrast to most other securities, the pricing of the Certificates is not based on the principle of supply and demand, since the Issuer or a third party in its function as Market Maker will quote independently calculated bid and offer prices for the Certificates on the secondary market (however, without being committed or being under any obligation legal or otherwise to do so).

The price calculation by the market maker will be based on market-standard price calculation models, so that the theoretical value of the Certificates will be determined on the basis of the value of the Underlying and other variable parameters. These other variable parameters may include, among other things, derivative components, expected yields on the Underlying (e.g. dividends), interest rates, the volatility of the Underlying and the supply and demand for hedging instruments.

It is to be noted that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Certificates disproportionately and even render it worthless. In particular, there can be no assurance that in the case of Certificates with a limited term, the price of the Certificate will recover in time in light of the

limited term. There is then the risk of **partial or total loss of the invested capital including transaction costs**. This risk is independent of the financial strength of the Issuer.

**The performance of the Certificates is linked to the performance of the Underlying which may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities may adversely affect the value of the Certificates.**

The Certificates reference one Underlying. Therefore, the Security Holders are exposed to the performance of such Underlying. The rate or price of the Underlying may be subject to unpredictable change over time and this degree of change is known as "volatility". The volatility of an Underlying may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Certificates. Volatility does not imply direction of the rate or price, although an Underlying that is more volatile is likely to increase or decrease in value more often and/or to a greater extent than one that is less volatile.

For information on the risks associated with the Underlying see also below in section "2.2.3. Risk factors associated with certain types of Underlyings".

**If an Underlying is linked with emerging markets, a Security Holder must expect considerable political and economic uncertainty, which may significantly affect the price development of the Certificates.**

Investments in so-called emerging markets contain further risk factors in addition to the risks normally associated with the investment in the respective Underlying. These include the unstable economic situation, high inflation, increased currency risks as well as political and legal risks. The political and economic structures in emerging markets are sometimes subject to considerable transitions and rapid developments and these countries often lack social, political and economic stability if compared with more industrialised nations. Of particular importance is the increased risk of currency fluctuations. Instability in these countries can also be caused by authoritarian governments or military interference in political and economic decision making. This also includes anti-constitutional (attempted) regime change, civil unrest relating to demands for improved political, economic and social conditions, hostile relations with neighbouring countries or conflicts based on ethnic, religious or racial reasons.

There is also the possibility of restrictions being imposed on foreign investors, expropriation of assets, confiscatory taxation, confiscation or nationalisation of foreign bank deposits or other assets, the introduction of currency controls or other detrimental developments which may adversely affect the success of investments in such countries. Such adverse effects can, under certain circumstances, last for long periods of time, i.e. months or years. Each of these adverse effects may cause what is known as a market disruption in relation to the Certificates and one of the results of this may be that during this period no prices will be quoted for the Certificates affected by the market disruption.

The small size and lack of experience on the securities markets in certain countries as well as the limited trading volume of securities can cause an Underlying to be less liquid and/or considerably more volatile than Underlyings in more established markets. It is possible that very little financial information is available on local issuers, which can make it difficult to assess the value of and/or prospects of the Underlying.

In addition, if the Underlyings of the Certificates are quoted in local currency, i.e. not hedged against the euro, there is an increased foreign exchange risk. Experience shows that the currency exchange rates in emerging markets are subject to particularly high fluctuations. This may result in a considerable negative performance of the Certificates, even though the performance of the Underlying during the term of the Certificates has essentially remained unchanged or even risen. This may mean that some or all of the total performance of the Underlying may be eroded by currency losses and that the performance of the Underlying even may become negative.

**Where payments under the Certificates will be made in a currency which is different from the currency of the Underlying and such Certificates do not have a "quanto feature", the Security Holders are exposed also to the performance of the currency of the Underlying against the Currency of the Certificates, which cannot be predicted.**

Where payments under the Certificates will be made in a currency which is different from the currency of the Underlying (the so-called "Reference Currency"), and such Certificates do not have a "quanto feature", the Security Holders may be exposed not only to the performance of the Underlying but also to the performance of such Reference Currency, which cannot be predicted. Security Holders should be aware that foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks (e.g., imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates as well as the availability of a specified currency). Foreign exchange fluctuations between a purchaser's home currency and the Settlement Currency, i.e. the relevant currency in which the Cash Amount of the Certificates is denominated may affect purchasers who intend to convert gains or losses from the exercise or sale of Certificates into their home currency.

If any Underlying is not denominated in the Settlement Currency and at the same time only the performance of the Underlying in the Reference Currency is relevant to the payout on the Certificates, such Certificates are referred to as currency-protected Certificates or Certificates with a "quanto" feature. Under such feature, the investment return of the Certificates depends only on the performance of the Underlying (in the relevant Reference Currency) and any change in the exchange rate between the Reference Currency and the Settlement Currency is disregarded. Accordingly, the application of a "quanto" feature means that purchasers of such Certificates will not have the benefit of any change in the exchange rate between the Reference Currency and the Settlement Currency that would otherwise increase the price of the Certificates or the Cash Amount to be paid at maturity in the absence of such "quanto" feature. In addition, changes in the relevant exchange rate may indirectly influence the price of the relevant Underlying which, in turn, could have a negative effect on the return on the Certificates.

**Security Holders should be aware that they may not be able to hedge their exposure from the Certificates.**

Security Holders cannot rely on being able to enter into transactions during the term of the Certificates through which they can exclude or limit their initial risk. This depends on the market situation and the respective underlying conditions. It may be possible that such transaction can be concluded only at a market price that is disadvantageous for the Security Holder so that he suffers a corresponding loss.

**A credit financing of the acquisition of Certificates significantly increase the maximum possible loss.**

If Security Holders finance the purchase of Certificates by drawing a credit, they will not only have to accept the loss incurred if their expectations are not fulfilled, but will also pay interest on and repay the credit. This causes the risk of loss of Security Holders to increase significantly. Security Holders should therefore not rely on being able to pay interest on or repay the credit using income from a Certificate. Rather, they have to consider their economic situation in advance as to whether they are able to pay interest on and, if applicable, repay the credit at short notice, even if losses occur instead of the expected income.

**Hedging transactions concluded by the Issuer may influence the price of the Certificates in a detrimental manner for the investor.**

The Issuer may at any point in time during the term of the Certificates buy or sell such Certificates on a market or through any other public or not-public transaction. The Issuer trades the Certificates and Underlyings in the course of its normal business activities and partially or fully hedges itself against financial risks connected with the Certificates by concluding hedge contracts on such Underlyings.

Hedging activities of the Issuer may influence the price of the Underlyings on the market as well as the value of the Certificates and/or the cash amount to be received by the Security Holders. Such a transaction may trigger certain relevant price thresholds (e.g. the Barrier) which may influence the price of the Certificates in a detrimental manner for the Security Holder.

The Issuer has no obligation to notify the Security Holders about such sales or purchases or other events (for example the conclusion of hedging contracts) which may have an influence on the performance of the price of the Certificates and/or the Underlyings, except where demanded by law. The Security Holders are therefore required to keep themselves informed of the development of the price of the Certificates or the Underlyings.

**Incidental costs on any income reduce any Security Holders' profits.**

Fees and other transactions costs that arise when purchasing or selling Certificates reduce the chances of the Security Holder generating a profit on the acquisition of the Certificate. Fixed costs have a greater effect in the case of a small invested amount. Security Holders should therefore obtain information about all costs arising during the purchase or sale of the Certificates before acquiring a Certificate.

**Security Holders are exposed to the risk of wrong assessment of the Certificates' liquidity due to the issue size of the Certificates.**

The issue size corresponds to the maximum amount of the offered Certificates, but does not give any indication as to the volume of the respective effectively issued Certificates deposited with a central depository. This volume is determined by the market situation and may change during the term of the Certificates. Security Holders should therefore note that no conclusions regarding the liquidity of the Certificates on the secondary market are possible based on the issue size of the Certificates.

**Market disruptions, adjustment measures and termination rights may negatively affect the rights of the Security Holders.**

Market disruptions may affect the price of the Certificates and delay the repayment of Certificates.

Adjustment measures are carried out in accordance with the Terms and Conditions. In the case of adjustment measures in respect to the Underlying, it cannot be ruled out that the assessment, on which an adjustment measure is based subsequently turns out to be incorrect and the adjustment measure subsequently turns out to be disadvantageous for the Security Holder and the Security Holder may be placed in a worse economic situation through the adjustment measure than he was in prior to an adjustment measure or would be in through a different adjustment measure.

Furthermore, the Issuer may have an extraordinary termination right under certain circumstances. If the termination right is exercised, the Issuer will repay the Certificates at an adequate market price determined in its reasonable discretion, i.e. a claim for payment of an amount to be calculated based on a repayment formula for the ordinary end of the term or a fixed unconditional minimum amount does not exist in the case of an extraordinary termination. A reinvestment risk exists in this case, i.e. a risk that the Security Holder may only be able to reinvest the prematurely returned funds on more unfavourable conditions. If provided for in the Terms and Conditions, the Issuer has an ordinary termination right. In this case, a reinvestment risk of the Security Holder also exists.

When determining the adequate market price in the case of an extraordinary termination, the Calculation Agent may take various market factors into account. These generally also include

the probability of default of the Issuer, calculating using the credit spreads or the yields of sufficiently liquid traded bonds quoted on the market at the time of determination of the Termination Amount. In case of Certificates with a fixed term linked to shares or a basket of shares as Underlying it should be noted that in the case of a termination as a consequence of a takeover bid, the price of the Underlying after announcement of the takeover bid may be used as a basis for purposes of determining the Termination Amount in accordance with the procedure customary at futures exchanges for determining the theoretical fair value, if the consideration is paid exclusively or mainly in cash, while particularly also the expected dividends and the average implied volatility of the previous ten trading days prior to the announcement of the takeover bid are taken into account (so-called "**Fair Value Method**"). The Fair Value Method serves to take the remaining time value of the underlying option into account.

**Corrections, changes, or amendments to the Terms and Conditions may be detrimental to the Security Holders.**

Investors should note that the Issuer has the right in certain cases to correct, change, or amend provisions in the Terms and Conditions, and the correction, change, or amendment of a provision in the Terms and Conditions may, if applicable, be detrimental for the investor compared to the originally certified provision, i.e. that information or provisions may be affected by the correction, change, or amendment, which are part of the factors determining the price of the Certificates.

If due to the correction, change, or amendment of the provision the content or scope of the Issuer's performance obligations is changed in an unforeseeable and detrimental manner for the investor, the investor has the right to terminate the Certificates within a certain period . The investor does not have a termination right, if the correction, change, or amendment was foreseeable or is not disadvantageous for it.

If a correction, change, or amendment is out of the question, the Issuer has the right to terminate the Certificates without undue delay, if the preconditions for a contestation in the sense of § 871 of the Austrian General Civil Code (ABGB) are fulfilled vis-à-vis the Security Holders. Individual Security Holders are also entitled to a termination right under these conditions. The Termination Amount to be paid in the case of a termination generally corresponds to the market price of a Certificate but is also dependent on certain other rules for its determination. In order to reduce the effects of any price fluctuations immediately prior to the Termination Date on the determination of the Termination Amount, the market price generally corresponds to the arithmetic mean of the spot prices, which were published at the relevant securities exchange where the Certificates are listed on a certain number of Business Days immediately preceding the Termination Date. Calculating the average is disadvantageous for the Security Holder, if the spot price on the Business Day prior to the Termination Date is higher than the arithmetic mean. The investor may furthermore demand from the Issuer, subject to the certain conditions , the difference between the purchase price paid by the investor when acquiring the Certificates and a lower market price in addition, to the extent that this is documented by the Security Holder. Investors should furthermore note that they bear the reinvestment risk in the case of a termination.

**Changes in tax law may negatively affect the Security Holders.**

Tax law and practice is subject to change, possibly with retrospective effect and this could adversely affect the value of the Certificates to the purchaser and/or the market value of the Certificates. Any such change may (i) cause the tax treatment of the relevant Certificates to change from what the purchaser understood the position to be at the time of purchase; or (ii) render the statements in this Prospectus concerning relevant tax law and practice in relation to Certificates under the Prospectus inaccurate or inapplicable in some or all respects to certain Certificates or have the effect that the Prospectus does not include material tax considerations in relation to certain Certificates. Prospective purchasers of Certificates should consult their own tax advisers in relevant jurisdictions about the tax implications of holding any Certificate and of any transaction involving any Certificate.

**Certificates may not be appropriate to hedge exposures.**

Investors in Certificates should not rely on the possibility that they may exclude or restrict risks derived from other securities positions by acquiring the Certificates; risks relating to such other securities may depend on the market conditions and the conditions which apply thereto. Under certain circumstances, such transactions may only be effected at an unfavourable market price, so that the investor in the Certificates may experience a financial loss.

**There is a risk that trading in the Certificates or Underlyings will be suspended, interrupted or terminated.**

If the Certificates are listed on one (or more) markets (which may be regulated or unregulated), the listing of such Certificates may – depending on the rules applicable to such stock exchange - be suspended or interrupted by the respective stock exchange or a competent regulatory authority upon the occurrence of a number of reasons, including violation of price limits, breach of statutory provisions, occurrence of operational problems of the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of investors. Furthermore, trading in the Certificates may be terminated, either upon decision of the stock exchange, a regulatory authority or upon application by the Issuer. Where trading in an Underlying of the Certificates is suspended, interrupted or terminated, trading in the respective Certificates will usually also be suspended, interrupted or terminated and existing orders for the sale or purchase of such Certificates will usually be cancelled. Investors should note that the Issuer has no influence on trading suspension or interruptions (other than where trading in the Certificates is terminated upon the Issuer's decision) and that investors in any event must bear the risks connected therewith. In particular, investors may not be able to sell their Certificates where trading is suspended, interrupted or terminated, and the stock exchange quotations of such Certificates may not adequately reflect the price of such Certificates. Furthermore, a trading suspension, interruption or termination of Underlyings of the Certificates may cause a suspension, interruption or termination of trading in the Certificates and may as well result in an artificial or wrong valuation of the Certificates. Finally, even if trading in Certificates or Underlyings is suspended, interrupted or terminated, investors should note that such measures may neither be sufficient nor adequate nor in time to prevent price disruptions or to safeguard the investors' interests; for example, where trading in Certificates is suspended after price-sensitive information relating to such Certificates has been published, the price of such Certificates may already have been adversely affected. All these risks would, if they materialise, have a material adverse effect on the investors.

**Due to future money depreciation (inflation), the real yield of an investment may be reduced.**

Inflation risk describes the possibility that the value of assets such as the Certificates or income there from will decrease as inflation shrinks the purchasing power of a currency. Inflation causes the rate of return to decrease in value.

**Investors have to rely on the functionality of the relevant clearing system.**

The Certificates are purchased and sold through different clearing systems, such as Oesterreichische Kontrollbank Aktiengesellschaft. The Issuer does not assume any responsibility for to whether the Certificates are actually transferred to the securities portfolio of the relevant investor. Investors have to rely on the functionality of the relevant clearing system.

**Credit ratings may not reflect all risks.**

One or more independent credit rating agencies may assign credit ratings to an issue of Certificates. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### **Legal investment considerations may restrict certain investments.**

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Certificates are legal investments for it, (2) the Certificates can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Certificates under any applicable risk-based capital requirements or similar rules.

Furthermore, investors might not be able to claim (or only to claim partial) indemnification for damage that has been caused to them due to certain exclusions or restrictions of the Issuer's or other parties' (e.g. the Calculation Agent, the Paying Agent, etc) liability for negligent acts or omissions in connection with the Certificates (or calculations thereof), which could result in the investors not being able to claim (or only to claim partial) indemnification for damage that has been caused to them. Investors should therefore inform themselves about such exclusions or restrictions of liability and consider whether these are acceptable for them.

### **An Austrian court can appoint a trustee (*Kurator*) for the Certificates to exercise the rights and represent the interests of the Security Holders on their behalf in which case the ability of Security Holders to pursue their rights under the Certificates individually may be limited.**

Pursuant to the Austrian Notes Trustee Act (*Kuratorenengesetz*), a trustee (*Kurator*) can be appointed by an Austrian court upon the request of any interested party (e.g. a Certificate holder) or upon the initiative of the competent court, for the purposes of representing the common interests of the Security Holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions of the Certificates or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Security Holders and will be entitled to make statements on their behalf which shall be binding on all Security Holders. Where a trustee represents the interests and exercises the rights of Security Holders, this may conflict with or otherwise adversely affect the interests of individual or all Security Holders.

### **Risk related to the Foreign Account Tax Compliance Act (FATCA).**

**Payments, including principal, on the Certificates to Security Holders and beneficial owners of interests in the Certificates that (i) fail to comply with tax certifications or identification requirements (including providing a waiver of any laws prohibiting the disclosure of such information to a taxing authority) or (ii) are financial institutions that fail to comply with the U.S. Foreign Account Tax Compliance Act or any analogous provisions of non-U.S. laws, including any voluntary agreements entered into with a taxing authority pursuant thereto, may be subject to a withholding tax of 30 percent. The Issuer will not be obligated to make any additional payments in respect of any such amounts withheld by the Issuer or an intermediary paying agent.**

Sections 1471 through 1474 of the US Internal Revenue Code (the "**Code**"), an agreement entered into with the US Internal Revenue Service pursuant to such sections of the Code, or an intergovernmental agreement between the United States and another jurisdiction in furtherance of such sections of the Code (including any non-US laws implementing such an intergovernmental agreement) (collectively referred to as "**FATCA**") may impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-US financial institution (a "foreign financial institution" or "FFI" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the IRS to provide the IRS with certain information in respect of its account holders and investors, unless otherwise exempt from or deemed to be in compliance with FATCA, or, where applicable, the FFI complies with any local laws enacted in respect of an intergovernmental agreement with the United States and (ii) any investor that (unless otherwise exempted) does



not provide certain tax certifications or ownership information (or, if applicable, a waiver of any laws prohibiting disclosure of such information to a taxing authority) (a "**Recalcitrant Holder**"). There can be no assurances that the Issuer, a financial intermediary, or the Certificates will not be subject to the requirements imposed under FATCA.

Withholding under FATCA will be phased in beginning 1 July 2014 for payments from sources within the United States and will apply to "foreign passthrough payments" (a term not yet defined) no earlier than 1 January 2017.

The United States has negotiated several intergovernmental agreements (each, an "**IGA**") with other jurisdictions, including Austria, to facilitate the implementation of FATCA. Austria and the United States have entered into a "Model 2" IGA, pursuant to which an Austrian FFI can be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Under the terms of the IGA with Austria (the "**Austrian IGA**"), an Austrian FFI is required to register with the IRS and agree to comply with the terms of FATCA, as modified by the Austrian IGA. Under the IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to the IRS. Further, the Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthrough payments.

As at the date of this Prospectus, the Issuer has registered with the IRS and certified its status as a "Reporting Model 2 FFI" to avoid withholding on payments to it. Similarly, a financial institution, broker, agent or other intermediary (together, the "**Intermediaries**") through which a beneficial owner of **Certificates** holds its interests may also enter into a FATCA Agreement to avoid the U.S. withholding tax.

The Issuer expects to comply with FATCA, including any applicable IGAs. There is no assurance, however, that the Issuer will always be able to comply with the relevant requirements or that it or a financial intermediary through which payments on the Certificates are made would not be required to deduct FATCA withholding from payments on the Certificates.

In the event that the Issuer or an Intermediary is required to deduct a withholding tax on payments on an Instrument in compliance with FATCA, no additional amounts will be payable to the Holder or beneficial owner of an Instrument under the Terms and Conditions of the Certificates.

FATCA is particularly complex and the full extent of its application to the Issuer, Intermediaries and the Certificates is uncertain. The Issuer's ability to avoid the withholding taxes under FATCA may not be within its control. In addition, there can be no assurance that payments on an Instrument will not be subject to withholding under FATCA. The above description is based in part on regulations, official guidance and IGAs, all of which are subject to change or may be implemented in a materially different form. Accordingly, potential investors should consult their own tax advisers about how FATCA may affect an investment in the Certificates.

**CIRCULAR 230 NOTICE. THE FOLLOWING NOTICE IS BASED ON U.S. TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE U.S. INTERNAL REVENUE SERVICE: (1) ANY U.S. FEDERAL TAX ADVICE CONTAINED HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN; AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

**The Certificates may be subject to write down or conversion to equity upon the occurrence of a certain trigger event, which may result in Security Holders losing some or all of their investment in the Certificates (statutory loss absorption).**

On 12 June 2014, the Bank Recovery and Resolution Directive ("**BRRD**") has been published.

The stated aim of the BRRD is to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

The powers provided to "resolution authorities" in the BRRD shall include write down and conversion powers to ensure that, *inter alia*, relevant capital instruments (including tier 2 instruments) fully absorb losses at the point of non-viability (defined below) of the issuing institution. Accordingly, according to the BRRD resolution authorities will be required to write down such capital instruments in full on a permanent basis, or convert them in full into Common Equity Tier 1 ("**CET 1**"), at the point of non-viability and before any other resolution tool is made use of (statutory loss absorption). The BRRD provides, *inter alia*, that resolution authorities shall exercise the write-down or conversion power in relation to statutory loss absorption in a way that results in (i) CET 1 items being reduced first in proportion to the relevant losses and (ii) thereafter, if CET 1 is not sufficient to cover the relevant losses, the principal amount of AT 1 being reduced, (iii) thereafter, if CET 1 and AT 1 are not sufficient to cover the relevant losses, the principal amount of Tier 2 being reduced; (iv) thereafter, if CET 1, AT 1 and Tier 2 are not sufficient to cover the relevant losses, other subordinated debt, and (v) if still insufficient, senior debt (such as the Certificates) being reduced up to zero on a permanent basis.

The BRRD provides that a write-down or conversion would, in summary, follow the ordinary allocation of losses and ranking in an insolvency of the relevant institution. However, as safeguard, the BRRD sets out that no creditor shall by use of these tools be in a worse position than in ordinary insolvency proceedings.

For the purposes of the statutory loss absorption, the point of non-viability under the BRRD is the point at which the following conditions are met:

1. The appropriate authority determines that the institution meets the conditions for resolution, i.e.:
  - (a) the competent authority or resolution authority determines that the institution is failing or likely to fail, i.e.:
    - the institution is in breach or will be in breach, in the near future, of the capital requirements for continuing authorisation in a way that would justify the withdrawal of the institution's authorization by the competent authority; or
    - the institution's assets are or will be, in the near future, less than liabilities; or
    - it is or will be, in the near future, unable to pay its obligations when due; or
    - the institution requires extraordinary public financial support;
  - (b) there is no reasonable prospect that any alternative private sector or supervisory action, other than a resolution action would prevent the institution's failure within a reasonable timeframe; and
  - (c) a resolution action is necessary in the public interest.
2. The appropriate authority determines that the institution will no longer be viable unless the relevant capital instruments are written down; or
3. Extraordinary public support is to be provided by the relevant EU-Member State and without such support the appropriate authority determines that the institution would no longer be viable.

Pursuant to the BRRD, any write-down or conversion of all or part of the principal amount of any instrument, including accrued but unpaid interest in respect thereof, in accordance with the bail-in tool respectively the write-down (or conversion) would not constitute an event of default under the terms of the relevant instruments. Consequently, any amounts so written down or converted would be irrevocably lost and the holders of such

instruments would cease to have any claims thereunder, regardless whether or not the institution's financial position is restored. Pursuant to the BRRD, resolution authorities would ensure that, when applying the resolution tools, creditors, however, do not incur greater losses than those that they would incur if the credit institution would have been wound down in normal insolvency proceedings.

The resolution authorities may also amend or alter the maturity of certain instruments or the amount of interest payable under such instruments, or the date on which the interest becomes payable, including by suspending payment for a temporary period.

The BRRD requires EU-Member States to transpose the BRRD into national law by 31 December 2014 at the latest and to apply the provisions (including the write-down or conversion of capital instruments) from 1 January 2015, those adopted to implement the bail-in tool shall be applied by EU-Member States from 1 January 2016 at the latest.

Furthermore, the BRRD sets out a minimum set of resolution tools only. Therefore, EU-Member States may retain specific national tools and powers to deal with failing institutions if those additional powers are consistent with the principles and objectives of the resolution framework pursuant to the BRRD and do not pose obstacles to effective group resolution. The Austrian Parliament may e.g. decide to implement the BRRD or other rules that entail similar write-down (or conversion) and/or resolution tools already earlier, for instance by including such rules in the Austrian Banking Intervention and Restructuring Act (*Bankeninterventions- und –restrukturierungsgesetz*) ("**BIRG**"), which entered into force as of 1 January 2014. Although the BIRG is guided by the BRRD, the write-down or conversion as well the bail-in tool mentioned above are not yet included.

Such legal provisions and/or regulatory measures may severely affect the rights of the holders of Certificates, may result in the loss of the entire investment in the event of non-viability or resolution of the Issuer, and may have a negative impact on the market value of the Certificates also prior to non-viability or resolution. In addition, any indication that the Certificates will become subject to statutory loss absorption could have an adverse effect on the market price of the relevant Certificates.

As the write down (or conversion) as well as the bail-in tool foreseen under the BRRD has not yet been implemented in Austria, it remains unclear whether such statutory loss absorption will apply to instruments (such as the Certificates) that are already in issue at that time or whether certain grandfathering rules will apply. If and to the extent that such provisions apply to the Certificates, the Certificates may be subject to write down or conversion into CET 1 upon the occurrence of the relevant trigger event, which may result in Holders losing some or all of their investment in the Certificates. The exercise of any such power or any suggestion or anticipation of such exercise could, therefore, materially adversely affect the price or value of the Certificates.

## **2.2.2 Risk factors relating to certain types of Certificates**

### **Product No. 1: Risk factors applicable to Bonus/Capped Bonus Certificates**

*Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates have a fixed term (Closed End), i.e. they have a specific term. The Issuer has the right to terminate the Certificates extraordinarily, e.g. if an adjustment is not possible or if an Additional Disruption Event occurs. The term of the Certificates is then ended early. It should be noted that the Issuer exercises its extraordinary termination right at its reasonable discretion and is not subject to any restrictions regarding the exercise of its termination right. If the Issuer exercises the extraordinary termination right at short notice, the Security Holder may no longer have the opportunity to sell his Certificate on the secondary market. The higher the volatility in the Underlying or the more illiquid the market in financial instruments linked to the Underlying (including the futures and lending market), the more likely it is that the Issuer will make use of its termination right.

A Security Holder in principle has no right to terminate.

*Return and reinvestment risk in the case of extraordinary termination by the Issuer*

Security Holders should note that the term of the Certificates can be ended by an extraordinary termination by the Issuer. In this case, the Security Holder bears the risk that its expectations with respect to an increase in the price of the Certificates can no longer be satisfied due to the premature ending of the term. It should also be taken into account in the case of an extraordinary termination that the Security Holder bears the reinvestment risk. This means that it may only be able to reinvest the Termination Amount to be paid by the Issuer in the case of an extraordinary termination on less favourable market terms than those existing when the Certificate was acquired.

*Risk of total loss in the case of a Barrier Event*

A so called Barrier Event occurs if the Observation Price reaches or falls below the Barrier at any time during the Observation Period. Security Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption in the amount of the Bonus Amount expires, and that the Bonus/Capped Bonus Certificate is comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Security Holder is exposed to a risk of loss comparable to the direct investment. Therefore, the Security Holder has a risk of total loss with regards to the invested capital. A total loss occurs when the Underlying is worthless on the Final Valuation Date.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Certificate.

*In case of Capped Bonus Certificates the Cash Amount is limited to Maximum Amount*

Irrespective of whether or not a Barrier Event has occurred, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Capped Bonus Certificates has an upper limit.

**Product No. 2: Risk factors applicable to Discount Certificates**

In addition to the risk factors applicable to Product No. 1 described in "Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate" and "Return and reinvestment risk in the case of extraordinary termination by the Issuer", the following specific risk factors shall apply to the Certificates:

*Cash Amount is limited to Maximum Amount*

In the case of Discount Certificates, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Discount Certificates has an upper limit.

*Risk of total loss*

Below the Cap, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Security Holder's invested capital. A total loss will occur if the Underlying is worthless on the Final Valuation Date.

**Product No. 3: Risk factors applicable to Open End Participation and Open End Index Certificates**

*Risk factors related to the unlimited term of the Certificates and/or to the Issuer's ability to terminate*

The Certificates do not have a specified limited term (Open End). The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Certificates may be exercised by the Security Holder during a certain Exercise Period during their term by submitting an Exercise Notice. The Cash Amount for exercised Certificates is calculated based on the Underlying Price of the Underlying on the relevant Exercise Date.

The Issuer is furthermore entitled to extraordinary termination of the Certificates by notice if an adjustment is no longer possible or in the case of an Additional Disruption Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Security Holder may no longer be able to sell his or her Certificates on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Security Holders may not assume that the Certificates will have an unlimited term. Security Holders should therefore not rely on being able to maintain a position in the Certificates over a long period. Furthermore, Security Holders may not rely on the timely movement of the Underlying in a favourable direction before a Termination Date.

*Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer*

Security Holders should note that the fundamentally unlimited term of the Certificates may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Security Holder bears the risk that his expectations with respect to an increase in the value of the Certificates may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Security Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Certificate was purchased.

*Risk related to the Open End Participation Certificates related to futures contracts with Transaction Fee*

In the case of Open End Participation Certificates related to futures contracts, it is to be noted that a "Transaction Fee" may be calculated to cover the transaction costs arising from the Rollover (see also below in section "Risk factors associated with Futures Contracts as Underlying – Rollover" under 2.2.3. Risk factors associated with certain types of Underlyings). The amount of such Transaction Fee is based on a number per futures contract, expressed in the Reference Currency. The application of the Multiplier to these transaction costs leads to a loss in value of the Certificates if the Transaction Fee is greater than zero (0). It must further be noted that the Transaction Fee is incurred both in respect of the purchase and the sale of the futures contracts on a Rollover, so the determination of the applicable Multiplier has to be considered twice.

*Risk of total loss*

Open End Participation and Open End Index Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments and transaction fees, if applicable), with the result that the Security Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless on the Final Valuation Date (e.g. in the case of a termination by the Issuer).

**Product No. 4: Risk factors applicable to Reverse Bonus/Capped Reverse Bonus Certificates**

In addition to the risk factors applicable to Product No. 1 described in "Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate" and "Return and

reinvestment risk in the case of extraordinary termination by the Issuer", the following specific risk factors shall apply to the Certificates:

*Risks related to the performance of Reverse Bonus/Capped Reverse Bonus Certificates owing to the reverse structure*

In the case of Reverse Bonus Certificates and Capped Reverse Bonus, the performance of the Certificates conversely depends on the performance of the Underlying. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying), Reverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying). This means that the Certificates enable the Security Holders to profit from a loss in value of the Underlying. **A Reverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Certificates), if the value of the Underlying increases.**

*Risk of a total loss in the case of a Barrier Event*

In case of reverse structures a so called Barrier Event occurs if the Observation Price reaches or exceeds the Barrier at any time during the Observation Period. Security Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Security Holder participates 1:1 in the negative performance of the Underlying. In this case, the Security Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying is equal to or above the Reverse Level on the Final Valuation Date.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Certificate declining.

*In case of Capped Reverse Bonus Certificates the Cash Amount is limited to the Maximum Amount*

In the case of Capped Reverse Bonus Certificates, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a negative price movement of the Underlying above the Cap, with the result that the possible yield on Capped Reverse Bonus Certificates has an upper limit.

*Limited yield potential due to reverse structure and irrespective of a Cap*

Security Holders should note that the yield potential is limited (regardless of a Cap) due to the reverse structure, since the participation in the negative performance of the Underlying is limited to 100%, i.e. in the case of Reverse Bonus Certificates the Cash Amount is limited to the Reverse Level (taking into account the Multiplier and, as the case may be, conversion into the Settlement Currency).

Accordingly, in the case of Reverse Bonus Certificates, the following relationship exists in principle between the economic value of the Certificates and the economic value of the Underlying: **A Reverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Certificate), if the value of the Underlying increases. Accordingly, a Security Holder may suffer a total loss of the invested capital if the level of the Underlying increases and reaches or exceeds the Reverse Level.**

**Product No. 5. Risk factors applicable to Participation and Index Certificates**

In addition to the risk factors applicable to Product No. 1 described in "Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate" and "Return and reinvestment risk in the case of extraordinary termination by the Issuer", the following specific risk factors shall apply to the Certificates:

### *Risk related to Participation Certificates with a Management Fee*

If in the case of Participation Certificates a Management Fee is foreseen, the Security Holder should note that subject to the holding period of the Certificates the Management Fee will reduce the Cash Amount which the Security Holder receives at the end of the term and that the Management Fee also has a negative impact on the secondary market prices of the Certificates during the term of the Certificates.

### *Risk of total loss*

Participation and Index Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Security Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless on the Final Valuation Date.

## **Product No. 6. Risk factors applicable to Twin Win or Capped Twin Win Certificates**

In addition to the risk factors applicable to Product No. 1 described in "Risk factors related to the limited term of the Certificates and/or to the Issuer's ability to terminate" and "Return and reinvestment risk in the case of extraordinary termination by the Issuer", the following specific risk factors shall apply to the Certificates:

### *Risk of total loss in the case of a Barrier Event*

Security Holders should note that if a Barrier Event has occurred, the Twin Win Certificate is comparable to a direct investment in the Underlying (without taking into account dividend payments). As a result, the Security Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Security Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying is worthless at the end of the term.

An important determinant of the probability of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying. The higher the Volatility of an Underlying, the higher the risk to the Security Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Certificate declining.

### *In case of Capped Twin Win Certificates the Cash Amount is limited to a Maximum Amount*

Irrespective of whether or not a Barrier Event has occurred, the Cash Amount will not exceed the Maximum Amount. This means that the Security Holder does not participate in a price movement of the Underlying above the Cap, with the result that the possible yield on Capped Twin Win Certificates has an upper limit.

## **Product No. 7. Risk factors applicable to Factor Certificates**

### *Risk of investment in leveraged Underlyings*

Different from other Open End Participation-Certificates Factor Certificates are leveraged.

Investors should in particular note, that in the case of Factor Certificates the daily performance of the Underlying will be leveraged with the applicable Leverage Factor, i.e. positive and negative movements of the Underlying have a disproportionate effect on the value of the Certificate. This means that the determination of the Leverage Factor determines the degree of risk. The higher the leverage the higher the risk. **It should be noted that the price development of the Factor Certificates can be completely independent from the price development of the Underlying.**

In the case that the price of the Underlying falls significantly the value of the Certificate due to the leverage factor may decrease to a very low level. Subsequent price gains of the Underlying will lead to price increases of the Certificate. However, as the base level for the recovery of the Certificate will be very low significant price gains of the Underlying will only have relatively small effects on the price recovery of the Certificate.

The Factor Certificates provide for a kind of adjustment level (Stop-Loss Barrier) that should protect the investors against a total loss of their investment. However, such adjustment level

might – under unfavourable circumstances – not prevent investors from intraday losses which might come close to a total loss of the capital invested.

**Capital markets are generally subject to fluctuations over a longer period of time. Due to the construction of Factor Certificates these fluctuations might have a material adverse effect on the price performance of the Certificates. Factor Certificates are not suited for long-term investments and are not a suitable alternative for direct investments into the Underlyings, because the development of the Daily Leveraged Performance of the Underlying and, thus, of the value of the Factor Certificates might significantly deviate from the development of the value of the Underlying itself over a period of time.**

*Risk factors related to the unlimited term of the Certificates and to the Issuer's ability to terminate*

The Certificates do not have a specified limited term (Open End). The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on an extraordinary termination by the Issuer.

The Certificates may be exercised by the Security Holder during a certain Exercise Period during their term by submitting an Exercise Notice. The Cash Amount of exercised Certificates is calculated based on the daily price development of the Underlying on the relevant Exercise Date.

The Issuer is furthermore entitled to extraordinary terminate the Certificates by notice if an adjustment is no longer possible or in the case of an Additional Disruption Event. It is to be noted that the Issuer may exercise its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the extraordinary termination right may occur at short notice, so that, in certain circumstances, the Security Holder may no longer be able to sell his Certificate on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Due to the Issuer's termination right, Security Holders may not assume that the Certificates will have an unlimited term. Security Holders should therefore not rely on being able to maintain a position in the Certificates over a longer period of time.

*Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer*

Security Holders should note that the fundamentally unlimited term of the Certificates may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Security Holder bears the risk that his expectations with respect to an increase in the value of the Certificates may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Security Holder bears the reinvestment risk. This means that he may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Certificate was purchased.

*Risk of Factor Certificates with Transaction Fee*

In the case of Factor Certificates related to futures contracts a "Transaction Fee" may be calculated to cover the transaction costs in addition to the costs arising from the Rollover (see therefore under "Risk factors associated with Futures Contracts as Underlying – Rollover" in section 2.2.3. Risk factors associated with certain types of Underlyings), whose amount is based on a number per futures contract, expressed in the Reference Currency. The application of those transaction costs to the Multiplier leads to a loss in value of the Certificates if the Transaction Fee is greater than zero. It must further be noted that the Transaction Fee is incurred both in respect of the purchase and the sale of the futures contracts on a Rollover.



### *Risk of total loss*

In the worst case an investment in Factor Certificates may involve the total loss of the capital invested. This will in any event be the case if the Reference Price of the Underlying on the Final Valuation Date amounts to zero.

### **2.2.3 Risk factors relating to certain types of Underlyings**

**Depending on the Underlying(s) to which the Certificates give exposure, Investors are exposed to further risks stemming from the type of Underlying and the behavior of its market prices as the Cash Amount an Investor may receive depends on the development of the price of the Underlying. The types of Underlyings foreseen in this Programme differ significantly as per their typical price volatility. Investors should only invest in Certificates if they are familiar with the relevant Underlying and have a comprehensive understanding of the type of Underlying itself, the market and other rules of the relevant Underlying.**

#### **Risk factors associated with Baskets as Underlying**

*Factors that have an adverse impact on the performance of the basket, impair also the price and the Cash Amount of the Certificates.*

A basket as the underlying is composed of different basket constituents (shares) as specified in the terms and conditions of the securities. The individual basket constituents may be equally weighted or may have different weighting factors depending on the structure of the basket. As a general rule, the lower the weighting of an individual basket constituent is, the lower is the effect of its price performance on the price performance of the basket as a whole. The respective value of the basket is calculated on the basis of the prices of the individual basket constituents and of the weighting factor allocated to the particular basket constituent.

In case of a high correlation of the price development of the individual basket constituents it can be assumed that a negative price development of one basket constituent adversely affects the value of the basket as a whole. Investors should not rely on the assumption that the diversification in several basket constituents might have a balancing effect in case of a high correlation.

The term "correlation of the basket constituents" refers – expressed simply – to the extent to which the performance of the basket constituents depends on each other. Correlation is expressed as a value between '-1' to '+1', where '+1', i.e. a high positive correlation, means that the prices of the basket constituents always move in the same direction. If the correlation is '-1', i.e. a high negative correlation, the prices of the basket constituents always move in exactly opposite directions. A correlation of '0' signifies that it is not possible to make a statement on the connection between the performances of the individual basket constituents. If, for example, the basket constituents are shares and all of the shares relate to the same sector and the same country, it can generally be assumed that they will have a high positive correlation. But the correlation may fall if, for example, the corporations whose shares comprise the basket constituents are competing fiercely for market shares and the same sales markets.

The Issuer is entitled to adjust the composition of the basket specified at the time of issue of the Securities in certain circumstances. Therefore, the investors cannot assume that the composition of the basket and the weighting of the individual basket constituents will remain the same throughout the term of the Securities.

## **Risk factors associated with Indices as Underlying**

*Factors having a negative effect on the Performance of the Index may also negatively affect the value and Cash Amount of the Certificates*

In the case of Certificates linked to indices, the Cash Amount depends on the development of the price of the Index. Risks of the Index are thus also risks of the Certificates. The development of the price of the Index in turn depends on the individual index components of which the relevant Index is comprised. Equity indices are comprised of a synthetic portfolio of shares, and as such, the performance of an Index is dependent upon the macroeconomic factors relating to the shares that underlie such Index, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. During the term of the Certificates, the market price of the Certificates may deviate from the development of the price of the Index or of the index components, since in addition to other factors, for example the correlations, volatilities, interest rate level and, e.g. in the case of performance indices, the reinvestment of dividend payments relating to the index components may also influence the development of the price of the Certificates.

*The Issuer has no influence on the existence, composition and calculation of the Index*

It should be noted that the Index Sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The changing of components of any Index may affect the level of such Index as a newly added company may perform significantly worse or better than the company it replaces, which in turn may affect the payments made by the Issuer to the purchasers of the Certificates. The Index Sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The Index Sponsor of an Index will have no involvement in the offer and sale of the Certificates and will have no obligation to any purchaser of such Certificates. The Index Sponsor of an Index may take any actions in respect of such Index without regard to the interests of the purchasers of the Certificates, and any of these actions could adversely affect the market value of the Certificates.

*Certificates relating to a price index do not take into account dividends and other distributions paid in relation to the index components, since they are not reflected in the price of such an index*

The rules governing the composition and calculation of the relevant underlying Index might stipulate that dividends distributed on its components do not lead to a rise in the index level, for example, if it is a "price" index, which may lead to a decrease in the index level if all other circumstances remain the same. As a result, in such cases the purchasers of Certificates in respect of which an Underlying is such type of Index will not participate in dividends or other distributions paid on the components comprising the Index. Even if the rules of the relevant underlying Index provide that distributed dividends or other distributions of the components are reinvested in the Index and therefore result in raising its level, in some circumstances the dividends or other distributions may not be fully reinvested in such Index.

*The Index Sponsor does not carry out any activity which affects the value of the Index and does not issue investment recommendations regarding the Index*

The Index Sponsor or licensor does not carry out sales or promotional or marketing activities for the Certificates. It does not give investment advice for the Certificates. In particular, the Index is determined, comprised and calculated by the Index Sponsor or licensor without consideration of the Issuer and the Certificates.

The Index Sponsor of an Index will have no involvement in the offer and sale of the Certificates and will have no obligation to any purchaser of such Certificates. The Index Sponsor of an Index may take any actions in respect of such an Index without regard to the interests of the purchasers of the Certificates, and any of these actions could adversely affect the market value of the Certificates.

Neither the Index Sponsor nor the licensor assume any responsibility or liability for the marketing or trading of the Certificates.

*Security Holders do not have any rights in relation to the index components underlying the Index*

Even if the amount of the payment to be made on the Certificates is entirely dependent on the performance of the underlying Index, the Certificates do not give a right to assert claims against the issuer of the shares underlying the Index.

### **Risk factors associated with Shares as Underlying**

*Factors having a negative effect on the performance of the Shares may also negatively affect the value and Cash Amount of the Certificates*

Relevant for the development of the price of the Certificates is the development of the share price. The development of the share price cannot be predicted and is determined by macroeconomic factors, e.g. the interest rate and price level on capital markets, currency developments, political circumstances, as well as company-specific factors such as e.g. the earnings situation, market position, risk situation, shareholder structure, and distribution policy.

*Certificates relating to Shares do not take into account any dividends and other distributions paid in relation to the Shares*

Purchasers of the Certificates will not participate in dividends or other distributions paid on Shares as Underlying. Therefore, the return on the Certificates will not reflect the return a purchaser would have realised had he or she actually owned such Shares and received the dividends on them. The Security Holders also do not have voting rights regarding the Share.

*Security Holders do not have any claims against the share issuer*

Even if redemption of the Certificates is significantly dependent on the performance of the underlying Share, the Certificates do not give any recourse rights or other claims against the issuer of the Shares underlying the Certificates.

### **Risk factors associated with Currency Exchange Rates as Underlying**

Currency Exchange Rates reflect the value ratio of one specific currency to a different currency. In international foreign exchange trading, where a specific currency is traded against another, the currency being traded is referred to as the "**Base Currency**", while the currency which states the price for the Base Currency, is referred to as "**Reference Currency**". For example, the foreign exchange rate "EUR/USD 1.2575" indicates that USD 1.2575 (= Reference Currency) has to be paid to purchase one Euro (= Base Currency). An increase of this foreign exchange rate therefore means an increase of the Euro compared to the US-Dollar. Conversely, the foreign exchange rate "USD/EUR 0.8245" indicates that EUR 0.8245 has to be paid to purchase one US-Dollar. An increase of this foreign exchange rate therefore means an increase of the US-Dollar compared to the Euro.

The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates as well as the availability of a specified currency.

Values from various sources may be used as Underlying Prices for the Underlying. On the one side, this may be currency exchange rate prices, which are established in the so-called inter-bank trading, since the majority of international foreign exchange trading is settled

between large banks. Such prices are published on screen pages of renowned financial information services (such as e.g. Reuters or Bloomberg). On the other side, official currency exchange rates determined by central banks (such as e.g. the European Central Bank) may be used as price for the currency exchange rate. Furthermore, it may be possible that the price of certain currency exchange rate pairs cannot be obtained in a suitable form at a reference market. For these foreign exchange rate, the price is determined by the Calculation Agent indirectly by using two currency exchange rate pairs, each of which contains a currency of the currency exchange rate pair underlying the Certificates as well as a common reference currency. The price of the Currency Exchange Rate underlying the Certificates is determined by making a cross rate calculation of these two currency exchange rates.

### **Risk factors associated with Interest Rates as Underlying**

The development of the relevant Interest Rate is not foreseeable at the time of the issue and depends on numerous factors, inter alia, supply and demand factors on international money markets, which are influenced by measures of governments and central banks as well as speculations and, if applicable, general economic factors.

### **Risk factors associated with Commodities as Underlying**

Raw materials or commodities are generally divided into three main categories: mineral commodities (such as e.g. oil, gas, aluminium and copper), agricultural products (such as e.g. wheat and corn), and precious metals (such as e.g. gold and silver). A majority of raw materials or commodities are traded on specialized exchanges or directly among market participants (inter-bank trading) worldwide in the form of OTC transactions ("over the counter") using mostly standardized contracts.

Price risks of raw materials or commodities are often complex. The prices are subject to greater fluctuations (volatility) than those of different investment categories. Commodity markets particularly have a lower liquidity than bond, foreign currency and stock markets. Changes in supply and demand therefore have a more drastic effect on prices and volatility, which is why investments in commodities are more risky and complex.

The factors influencing commodity prices are numerous and complex. The following are examples of some typical factors, which are reflected in commodity prices.

#### *Supply and demand*

The planning and management of commodities supplies are very time-consuming. This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of changed demand. Demand can also vary on a regional basis. Transport costs for commodities in regions where these are needed also affect their prices. The fact that some commodities take a cyclical pattern, such as agricultural products which are only produced at certain times of the year, can also result in major price fluctuations.

#### *Direct investment costs*

Direct investments in commodities involve costs related to storage, insurance and tax. Moreover, no interest or dividends are paid on commodities. The total returns from commodities investments are therefore influenced by these factors.

#### *Liquidity*

Not all commodities markets are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants active on the commodities markets means that large speculative investments can have negative consequences and may distort prices.

#### *Weather and natural catastrophes*

Unfavourable weather conditions can influence the supply of certain commodities for the entire year. This kind of supply crisis can lead to severe and unpredictable price fluctuations. Diseases and epidemics can also influence the prices for agricultural products.

### *Political risks*

Commodities are often produced in emerging market countries, with demand coming from industrialized nations. However, the political and economic situation of emerging markets is often far less stable than in industrialized nations. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect investor confidence, which can as a consequence influence commodity prices. Armed conflicts can also have impact on the supply and demand for certain commodities. It is also possible for industrialized nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact commodity prices. Furthermore, numerous commodity producers have joined forces to establish organizations or cartels in order to regulate supply and influence prices.

### *Taxes and duties*

Changes in tax rates and customs duties may have a positive or a negative impact on the profitability margins for commodities producers. If these costs are passed on to buyers, these changes will affect the prices of the relevant commodities.

## **Risk factors associated with Futures Contracts as Underlying**

### *General*

Futures Contracts, also referred to as futures, are standardized futures transactions linked to financial instruments (e.g. shares, indices, interest rates, dividends or foreign currencies) – so-called financial Futures Contract – or to commodities (e.g. precious metals, wheat, or sugar) – so-called commodity Future Contract.

A Futures Contract represents the contractual obligation to purchase or sell a certain quantity of the respective contract object on a fixed date at an agreed price. Futures Contracts are traded on futures exchanges and are standardized in respect to contract size, type and quality of the contract object, and potential places and dates of delivery. General, a close correlation exists between the price development of the financial instrument or commodity underlying the Underlying on a spot market and the corresponding futures market. However, Futures Contracts are generally traded with a premium or discount compared to the spot price of the underlying financial instrument or commodity. This difference between spot and futures price, which is referred to as "basis" in futures exchange terminology, results on the one side from the inclusion of costs, which usually arise during spot transactions in the calculation (storage, delivery, insurance, etc.), or of income usually related to spot transactions (interest, dividends, etc.) and on the other side from the differing valuation of general market factors on the spot and futures market. Furthermore, the liquidity may significantly differ between the spot and the corresponding futures market depending on the financial instrument or commodity.

Since the Certificates are linked to the exchange price of the Futures Contract underlying the Certificates, it is advisable that the Security Holder, in addition to knowledge about the market for the financial instrument underlying the relevant Futures Contract or the market for the commodity underlying the relevant Futures Contract, also has knowledge about the mechanisms and valuation factors of futures transactions, since an appropriate evaluation of the risks related to the purchase of these Certificates is possible only in this case.

### *Rollover*

Since Futures Contracts as Underlying of the Certificates have a fixed expiration date in each case, the Underlying is replaced by the Issuer in the case of Open End Participation Certificates or Factor Certificates at a certain point in time with a Futures Contract, which except for an expiration date that is more distant in the future has the same contract specifications as the originally underlying Futures Contract ("**Rollover**").

The Issuer will close out its positions entered into through respective hedging transactions regarding the previous Futures Contracts, the expiration date of which is imminent, on the Rollover Date and build up corresponding positions in respect to a Futures Contract with identical features but a longer term.

After completion of the Rollover, the Multiplier is adjusted based on the Roll Over Price for the Successor Value.

#### **2.2.4 Risk factors relating to conflicts of interest**

The Issuer may from time to time act in other capacities with regard to the Certificates, such as calculation agent. Such functions may allow the Issuer to calculate the value of the Underlying which could raise conflicts of interest where securities or other assets issued by the Issuer itself or a group company can be chosen to be part of the Underlying, or where the Issuer maintains a business relationship with the issuer or obligor of such securities or assets.

The Issuer may from time to time engage in transactions involving the Underlying for its proprietary accounts and for accounts under its management. Such transactions may have a negative effect on the value of the Underlying and consequently upon the value of the Certificates. As used in this section "Conflicts of Interest", references to the Underlying shall be deemed to include any of its constituents, if applicable.

The Issuer may issue other derivative instruments in respect of the Underlying (if any) and the introduction of such competing products into the marketplace may affect the value of the Certificates.

The Issuer may use all or some of the proceeds received from the sale of the Certificates to enter into hedging transactions. The Issuer believes that such hedging activity will under normal circumstances not have a material impact on the value of the Certificates. However, it cannot be assured that the Issuer's hedging activities will not affect such value. The value of the Certificates might in particular be affected by the liquidation of all or a portion of the hedging positions at or about the time of the maturity or expiration of the Certificates.

The Issuer may acquire non-public information with respect to the Underlying, and the Issuer does not undertake to disclose any such information to any Security Holder. In addition, the Issuer may publish research reports with respect to the Underlying. Such activities could present conflicts of interest and may affect the value of the Certificates.

## **3. THE CERTIFICATES**

### **3.1. General Information about the Certificates**

#### **3.1.1 Description of the Certificates and the rights attached to the Certificates, information relating to the underlying and consequences of market disruptions or adjustments**

The type of the Certificate and the relevant securities identification number of the Certificate are stated in Table 1 in the Annex to the Issue Specific Conditions of the Final Terms.

The Certificates issued by the Issuer may be linked to indices, shares, basket of shares, currency exchange rates, interest rates, commodities and future contracts as specified in Table 2 in the Annex to the Issue Specific Conditions of the Final Terms.

A description of the underlying and the components of the underlying, as the case may be, and an indication where information about the past and further performance of the underlying and the components of the underlying, as the case may be, and its volatility can be obtained can be found in the Final Terms of the respective Certificates.

Furthermore and as the case may be, the Final Terms contain information about the name of the issuer or sponsor of the underlying, the international securities identification number (ISIN) or other such security identification code, the name of the index in case of an index as underlying, or equivalent information in relation to the relevant underlying and its components, as the case may be. If the underlying is a basket the Final Terms shall disclose the relevant weightings of each underlying in the basket.

Where the applicable Final Terms specify the Underlying to be an index and if such index is provided by a legal entity or a natural person acting in association with, or on behalf of the Issuer the Issuer makes the following statements:

- the complete set of rules of the index and information on the performance of the index are freely accessible on the Issuer's or the Index Sponsor's website; and
- the governing rules (including methodology of the index for the selection and the rebalancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

The right to demand payment of a Cash Amount on the respective Repayment Date is specified in Section 1 of the Issue Specific Conditions in the relevant Final Terms.

Any consequences of market disruptions, e.g. the postponement of a Final Valuation Date, are specified in Section 8 of the Issue Specific Conditions in the relevant Final Terms.

Any consequences of adjustments, e.g. the substitution of an Underlying, are specified in Section 9 of the Issue Specific Conditions in the relevant Final Terms.

#### **3.1.2 Listing and trading**

The Issuer may introduce or apply for admission of the Certificates on a or several stock exchange(s) or multilateral trading system(s) or regulated or unregulated market(s), inter alia, at the Vienna Stock Exchange and/or the Stuttgart Stock Exchange (*Börse Stuttgart*) (EUWAX) and/or the Budapest Stock Exchange and/or the Bucharest Stock Exchange and/or the Prague Stock Exchange and/or the Zagreb Stock Exchange. The Issuer may also issue Certificates which are not admitted to trading or listed on any market.

Certificates of the same class may have been admitted to trading on the same or another market already. If and where a listing is intended will be stated in the relevant Final Terms. Further, information concerning a public offer of the Certificates will be contained in the relevant Final Terms, if any.

In case of admission to trading and/or listing, the Minimum Trading Number will be stated in Table 1 in the Annex to the Issue Specific Conditions of the Final Terms. The Issuer intends to quote bid and ask prices for the Certificates of an issue on a regular basis under normal market conditions, however the

Issuer does not commit and is under no obligation legal or otherwise to quote bid and ask prices for the Certificates of an issue.

### **3.1.3 Currency of the Certificates**

The Certificates will be offered for purchase (offer subject to change) in the Settlement Currency which is specified in Table 1 in the Annex to the Issue Specific Conditions of the Final Terms. Exchange and off-exchange trading in the Certificates (if applicable) will likewise be conducted in the Settlement Currency. The disbursement of the Cash Amount (if any) will be made in the Settlement Currency (following a conversion into the Settlement Currency, as the case may be).

### **3.1.4 Terms and conditions of the offer, offer period**

The offer of Certificates under this Prospectus is not subject to any conditions. The Final Terms must be read in conjunction with the Prospectus and its supplement(s) (if any).

The Prospectus provides for permanent and/or repeated issues of Certificates. Individual issues of Certificates will be offered permanently (*Daueremissionen*), where Certificates may be issued during most of their term at a price determined and adjusted from time to time by the Issuer ("**tap issue**"). Alternatively, the Certificates may be offered during a subscription period in one or several Series, with different features, at a fixed price plus an issuing premium. When the respective Subscription Period has ended, the Certificates will be sold over-the-counter.

The invitation to prospective investors to make offers for the subscription of Certificates is carried out by the Issuer and distribution partners, if any. An offer to subscribe for Certificates may be made by an investor to the Issuer or distribution partners, if any, during substantially the whole (or part of the) term of the Certificates at the discretion of the Issuer. The Issuer retains the right to accept or reject subscription offers, in whole or in part.

The Certificates are issued as non-par value instruments (*Stücknotiz*) and do not have any specified denominations; the Minimum Trading Numbers are set out in Table 1 in the Annex to the Issue Specific Conditions of the Final Terms, if any. In general, no maximum subscription amount will be set by the Issuer.

The Certificates are issued as tap issues (*Daueremissionen*) so that the result of the offer will not be made public prior to the closing of the issue. Usually a notification of the maximum amount to Oesterreichische Kontrollbank Aktiengesellschaft will be made.

### **3.1.5 Pricing of the Certificates and factors influencing the price of the Certificates**

The Initial Issue Price of the Certificates is fixed by the Issuer by taking into account several price relevant factors, including the price of the Underlying, the current interest rate, anticipated dividends and other product specific criteria.

Additionally, the Initial Issue Price may include an issue premium which is intended to cover commissions for the Issuer or other ancillary costs arising in connection with the issue and hedging of the respective Certificates.

The Initial Issue Price is disclosed in Table 1 in the Annex to the Issue Specific Conditions of the Final Terms, and any further prices of the Certificates are determined at the Issuer's reasonable discretion according to market conditions.

Costs and disbursements incurred by an investor in connection with a secondary purchase of the Certificates are outside of the influence of the Issuer.

### **3.1.6 Delivery of the Certificates**

If the Final Terms do not provide otherwise, the payment of the subscription price is effected on the basis of a subscription agreement between the investor and the Issuer concerning the acquisition of the respective Certificates. Delivery shall be effected upon payment within market customary time periods.



### **3.1.7 Clearing Systems and form and delivery**

The Certificates are cleared by Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1011 Vienna. After settlement, the Certificates are represented by a global bearer note, which is deposited with Oesterreichische Kontrollbank Aktiengesellschaft. No Certificates in definite form will be issued. The Security Holders are entitled to co-ownership interests in the global bearer note, which are transferrable in accordance with the terms and conditions of Oesterreichische Kontrollbank Aktiengesellschaft and applicable law.

### **3.1.8 Restrictions on the free transferability of the securities**

Each Certificate (of a series of Certificates) is transferable in accordance with the laws applying in each case and, where relevant, the respective applicable regulations and procedures of the securities depository in whose records the transfer is registered.

The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "Minimum Trading Number") or an integral multiple thereof.

When purchasing, transferring or exercising the Certificates, investors must comply with the selling restrictions as laid out in Part "10. Subscription and Sale" of this Prospectus.

### **3.1.9 Ranking of the Certificates**

The Certificates constitute direct, unsecured and unsubordinated obligations of the Issuer, which rank *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, save for those obligations that have priority according to mandatory law.

### **3.1.10 Consents and approvals, resolutions in respect of the issue of the Certificates**

The Issuer has obtained all necessary consents, approvals and authorisations in Austria in connection with the issue and performance of Certificates.

The Issuer may issue Certificates under the Prospectus from 1 July 2014 to 30 June 2015 in accordance with a resolution of the Management Board of the Issuer passed on 27 May 2014 and the Supervisory Board of the Issuer passed on 26 June 2014.

### **3.1.11 Reasons for the offer and use of proceeds from the sale of the Certificates**

The issue of the Certificates is part of the ordinary business activity of the Issuer and is undertaken solely to generate profits. For the avoidance of doubt: Even if the Cash Amount and the performance of the Certificates are calculated by referencing to a price of the underlying defined in the Terms and Conditions of the Certificates the Issuer is not obliged to invest the proceeds from the issuance into the underlying or components of the underlying at any time. The Security Holders do not have any property rights or shares in the underlying or its components. The Issuer is free to choose about the use of the proceeds of the issuance.

### **3.1.12 Applicable law, place of performance and place of jurisdiction**

Form and content of the Certificates as well as all rights and obligations from matters governed in the Conditions are determined in every respect by the laws of Austria.

Vienna, Austria, shall be place of performance.

To the extent permitted by mandatory law, the courts competent for Vienna, Inner City, shall have exclusive jurisdiction, provided that the Issuer shall be entitled to bring proceedings in any other competent court. The submission to the jurisdiction of the courts of Vienna shall not limit the right of any Security Holder to take proceedings in a place of consumer jurisdiction if and to the extent mandated by applicable statute.

### **3.1.13 Interest of individuals or legal entities involved in the issue**

Concerning interests of individuals or legal entities involved in the issue as well as potential conflicts of interests resulting from this, please see "2.2.4 Risk factors relating to conflicts of interest" in the Prospectus and under "Interest of natural and legal persons involved in the issue/offer" under "Other information" in the relevant Final Terms.

### **3.1.14 Fees**

The Final Terms will specify, if applicable, the kind and amount of fees charged to the subscriber or purchaser.

### **3.1.15 Categories of potential investors**

The Issuer generally does not distinct in various categories of potential investors to which the Certificates are offered. The Issuer may offer Certificates generally to retail and institutional investors in any jurisdiction where the legal and further requirements for offering securities are fulfilled. If offers are being made simultaneously in the markets of two or more countries, the Issuer generally does not reserve any tranches of Certificates for certain of these.

## **3.2. Explanation Description of mechanism of Certificates**

### **Product No. 1: Explanation of mechanism of Bonus/Capped Bonus Certificates**

In the case of these Certificates, on the Repayment Date Security Holders receive a Cash Amount, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying.

(i) If no Barrier Event occurs, the Cash Amount equals the Reference Price taking into account the Multiplier, and the Cash Amount is at least equal to the Bonus Amount and in case of Capped Bonus Certificates does not exceed the Maximum Amount.

(ii) If a Barrier Event has occurred, the Cash Amount is no longer at least equal to the Bonus Amount, but is always equal to the Reference Price (taking into account the Multiplier) (1:1 participation in the performance of the Underlying) and in case of Capped Bonus Certificates does not exceed the Maximum Amount.

A Barrier Event occurs if the Observation Price reaches or falls below the Barrier at any time during the Observation Period, as determined in the relevant Final Terms.

The Security Holders do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

### **Product No. 2: Explanation of mechanism of Discount Certificates**

In the case of these Certificates, Security Holders participate in the performance of the Underlying throughout the term. The Initial Issue Price or the current price of the Certificate is below the current market price of the Underlying (Discount) taking into account the Multiplier.

On the Repayment Date the Security Holders receive a Cash Amount, converted into the Settlement Currency, as the case may be, the amount of which is dependent on the Reference Price.

(i) If the Reference Price is at the level of or above the Cap, the Cash Amount equals the Maximum Amount.

(ii) If the Reference Price is below the Cap, Security Holders receive a Cash Amount which equals the Reference Price taking into account the Multiplier.

The Security Holders do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

### **Product No. 3: Explanation of mechanism of Open End Participation and Open End Index Certificates**

Open End Participation and Open End Index Certificates do not have a specified limited term. The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Cash Amount, converted into the Settlement Currency, as the case may be, equals the Reference Price multiplied by the Multiplier.

### **Product No. 4: Explanation of mechanism of Reverse Bonus/Capped Reverse Bonus Certificates**

In the case of these Certificates, Security Holders receive a Cash Amount on the Repayment Date, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying. A particular feature is that the participation of the Security Holders is inverse to the performance of the Underlying.

(i) If no Barrier Event has occurred, the Cash Amount equals the Reverse Level minus the Reference Price, taking into account the Multiplier, and is at least equal to the Bonus Amount and in case of Capped Reverse Bonus Certificates does not exceed the Maximum Amount.

(ii) If a Barrier Event has occurred, the Cash Amount is no longer at least equal to the Bonus Amount, but always equals the Reverse Level minus the Reference Price, taking into account the Multiplier (1:1 participation in the negative Performance of the Underlying), and is at least equal to zero and in case of Capped Reverse Bonus Certificates does not exceed the Maximum Amount.

A Barrier Event occurs if the Observation Price reaches or exceeds the Barrier at any time during the Observation Period, as determined in the relevant Final Terms.

Security Holders have no rights in respect of or arising from the Underlying (e.g. voting rights, dividends).

### **Product No. 5: Explanation of mechanism of Participation and Index Certificates**

In the case of these Certificates, Security Holders receive a Cash Amount on the Repayment Date, converted into the Settlement Currency, as the case may be, the amount of which depends on the performance of the Underlying. The Cash Amount equals the Reference Price multiplied by the Multiplier and a Management Factor, if a Management Fee applies.

### **Product No. 6: Explanation of mechanism of Twin Win or Capped Twin Win Certificates**

The level of the Cash Amount, converted into the Settlement Currency, as the case may be, in the case of Twin Win Certificates is linked to the performance of the Underlying, and the following cases are to be distinguished:

(i) If no Barrier Event has occurred and the Reference Price equals or exceeds the Strike, the Cash Amount per Security corresponds to the product of (A) the Multiplier and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Reference Price and Strike and (y) the applicable Participation Factor and in case of Capped Twin Win Certificates does not exceed the applicable Maximum Amount.

(ii) If no Barrier Event has occurred but the Reference Price falls below the Strike, the Cash Amount per Security corresponds to, the product of (A) the Multiplier and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Strike and Reference Price and (y) the applicable Participation Factor and in case of Capped Twin Win Certificates does not exceed the applicable Maximum Amount.

(iii) If a Barrier Event has occurred, the Cash Amount per Security corresponds to, the product of (i) the Reference Price and (ii) the Multiplier and in case of Capped Twin Win Certificates does not exceed the applicable Maximum Amount.

A Barrier Event occurs if an Observation Price specified in the applicable Final Terms reaches or falls below the Barrier as specified in the relevant Final Terms.

The Participation Factors and the Maximum Amounts can differ in the individual cases.

Security Holders have no rights in respect of or arising from the Underlying (e.g. voting rights, dividends).

## **Product No. 7: Explanation of mechanism of Factor Certificates**

Factor Certificates do not have a specified limited term. The term of the Certificates ends either (i) on the exercise of the Certificates by the Security Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The price development of Factor Certificates depends on movements of the respective Underlying taking into account a leverage component and a financing component.

In the case of Factor Long Certificates the leverage component reflects the multiple purchase of the Underlying. Therefore, price movements of the Underlying have a disproportional effect on the value of the Factor Long Certificates with positive as well as with negative developments of the Underlying.

The financing component results from the costs for the raising of capital at an overnight rate plus an add-on interest. As the financing component is always negative it has an adverse effect on the Factor Certificate on each Calculation Date.

With Factor Long Certificates the Cash Amount corresponds to the difference between (i) the product of the Cash Amount on the previous Calculation Date and the Daily Leveraged Performance and (ii) the Financing Costs, converted into the Settlement Currency, as the case may be. The Daily Leveraged Performance corresponds to the sum of (i) one (1) and (ii) the product of the Performance in Percent of the Underlying and the Factor. The Performance in Percent of the Underlying on a Calculation Date corresponds to the difference between (i) the quotient of the Reference Price and the Reference Price on the previous Calculation Date or, if a Stop-Loss Event has occurred between the time of determination of the Reference Price on the previous Calculation Date and the determination of the Reference Price on the Calculation Date, to the Stop-Loss Reference Price and (ii) one (1). A Stop-Loss Event occurs, if a certain Observation Price reaches or falls below the Stop-Loss Barrier.

In the case of Factor Short Certificates the leverage component reflects the multiple selling of the Underlying. Therefore, price movements of the Underlying have a disproportional effect on the value of the Factor Short Certificates with positive as well as with negative developments of the Underlying.

The financing component results from the costs for the raising of capital at an overnight reduced by an interest rebate. As the financing component is always negative it has an adverse effect on the Factor Certificate on each Calculation Date.

With Factor Short Certificates the Cash Amount corresponds to the sum of (i) the product of the Cash Amount on the previous Calculation Date and the Daily Leveraged Performance and (ii) the Financing Costs, converted into the Settlement Currency, as the case may be. The Daily Leveraged Performance corresponds to the sum of (i) one (1) and (ii) the product of the Performance in Percent of the Underlying and the Factor. The Performance in Percent of the Underlying on a Calculation Date corresponds to the difference between (i) one (1) and (ii) the quotient of the Reference Price and the Reference Price on the previous Calculation Date or, if a Stop-Loss Event has occurred between the time of determination of the Reference Price on the previous Calculation Date and the determination of the Reference Price on the Calculation Date, to the Stop-Loss Reference Price. A Stop-Loss Event occurs, if a certain Observation Price reaches or exceeds the Stop-Loss Barrier.

**Due to the construction of the Factor Certificates, in particular due to the linkage of the Factor Certificates to the Daily Leverage Performance, the daily fluctuations of the Underlying might have a material adverse effect on the price performance of the Certificates. Factor Certificates are not suited for long-term investments and are not a suitable alternative for direct investments into the Underlyings, because the development of the Daily Leveraged Performance of the Underlying and, thus, of the value of the Factor Certificates might significantly deviate from the development of the value of the Underlying itself over a period of time.**

## 4. TERMS AND CONDITIONS OF THE CERTIFICATES

### TERMS AND CONDITIONS

The Terms and Conditions are composed of the following parts (together, the "**Terms and Conditions**"):

(a) the Issue Specific Conditions as set out under 4.1 below (the "**Issue Specific Conditions**") consisting of

- (i) Part A. Product Specific Conditions; and
- (ii) Part B. Underlying Specific Conditions; as well as

(b) the General Conditions as set out under 4.2 below (the "**General Conditions**").

The relevant Final Terms will (i) replicate the applicable optional Issue Specific Conditions and (ii) contain the applicable new issue specific information in respect of the Issue Specific Conditions. New information will be given in Final Terms only in compliance with the requirements for Category B and C information items as set out in Annex XX of the Prospectus Regulation. In respect of each Series of Certificates the Issue Specific Conditions as replicated in the respective Final Terms and the General Conditions together shall constitute the Terms and Conditions applicable to such a Series of Certificates (the "**Conditions**"). The Issue Specific Conditions as replicated in the respective Final Terms are to be read in conjunction with the General Conditions.

The Conditions will be in the German language or the English language or both and the controlling and binding language of the Conditions will be specified in the relevant Final Terms.

Each Global Note representing the Certificates of the relevant Tranche will have the Issue Specific Conditions as replicated in the Final Terms and the General Conditions attached.

### ZERTIFIKATSBEDINGUNGEN

Die Zertifikatsbedingungen setzen sich aus folgenden Teilen zusammen (zusammen die "**Zertifikatsbedingungen**"):

(a) den Emissionsbezogenen Bedingungen wie nachfolgend unter 4.1 aufgeführt (die "**Emissionsbezogenen Bedingungen**"), die aus

- (i) Teil A. Produktbezogene Bedingungen; und
- (ii) Teil B. Basiswertbezogene Bedingungen bestehen; sowie

(b) den Allgemeinen Bedingungen wie nachfolgend unter 4.2 aufgeführt (die "**Allgemeinen Bedingungen**").

Die jeweiligen Endgültigen Bedingungen werden (i) die anwendbaren optionalen Emissionsbezogenen Bedingungen wiederholen und (ii) im Rahmen dieser anwendbaren Emissionsbezogenen Bedingungen neue emissionspezifische Informationen enthalten. Soweit in den Endgültigen Bedingungen neue Informationen aufgenommen werden, erfolgt dies ausschließlich im Rahmen der Vorgaben für Kategorie B- und Kategorie C-Informationsbestandteile des Annex XX der Prospektverordnung. In Bezug auf jede einzelne Serie von Zertifikaten beinhalten die Emissionsbezogenen Bedingungen, in der Gestalt wie sie in den Endgültigen Bedingungen wiederholt werden, und die Allgemeinen Bedingungen die auf die jeweilige Serie von Zertifikaten anwendbaren Zertifikatsbedingungen (die "**Bedingungen**"). Die Emissionsbezogenen Bedingungen, in der Gestalt wie sie in den jeweiligen Endgültigen Bedingungen wiederholt werden, müssen zusammen mit den Allgemeinen Bedingungen gelesen werden.

Die Bedingungen werden in deutscher Sprache, englischer Sprache oder beiden Sprachen erstellt, wobei die rechtsverbindliche Sprache in den jeweiligen Endgültigen Bedingungen festgelegt wird.

Jeder die Zertifikate der jeweiligen Tranche verbriefenden Globalurkunde werden die Emissionsbezogenen Bedingungen, in der Gestalt wie sie in den Endgültigen Bedingungen wiederholt werden, und die Allgemeinen Bedingungen beigelegt.

## 4.1 Issue Specific Conditions

### Part A. Product Specific Conditions

[in case of Product No 1, insert:

[im Fall von Produkt Nr. 1 einfügen:

**Product No 1: [Bonus] [Capped Bonus] Certificates**

**Produkt Nr. 1: [Bonus] [Capped Bonus] Zertifikate**

#### Section 1 Security Right; Transferability

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Bonus Certificates [with Cap] (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

#### Section 2 Cash Amount

- (1) The "**Cash Amount**" per Security corresponds to the Reference Price (paragraph (5)) multiplied by the Multiplier (paragraph (6)), subject to the payment of a Minimum Amount (paragraph (2)) [and subject to the payment of a Maximum Amount (paragraph (3))]. The Cash Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (7))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (7)) into the Settlement Currency (paragraph (7)) pursuant to paragraph (8) (the "**Currency Conversion**")]. The Cash Amount will be commercially rounded to [two][•] decimal

#### § 1 Wertpapierrecht; Übertragbarkeit

- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Bonus Zertifikaten [mit Cap] (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

#### § 2 Auszahlungsbetrag

- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht, vorbehaltlich der Zahlung eines Mindestbetrags (Absatz (2)) [und vorbehaltlich der Zahlung eines Höchstbetrags (Absatz (3))], dem mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Referenzpreis (Absatz (5)). Der Auszahlungsbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (7))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (8) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Auszahlungsbetrag wird gegebenenfalls

- places, as the case may be.
- (2) If the Observation Price (Section 9 (2) of the Issue Specific Conditions) does not reach or fall below the Barrier (Section 3 (1) of the Issue Specific Conditions) at any time during the Observation Period (Section 3 (2) of the Issue Specific Conditions), the Cash Amount per Security corresponds [at least] to the Bonus Level multiplied by the Multiplier (paragraph 6)) (the "**Bonus Amount**" or the "**Minimum Amount**"). The "**Bonus Level**" corresponds to the Bonus Level as specified in Table 1 in the Annex to the Issue Specific Conditions. The Bonus Amount [*if Currency Conversion is not applicable, insert:* is denominated in the Settlement Currency (paragraph (7))] [*if Currency Conversion is applicable, insert:* is converted from the Reference Currency (paragraph 7)) into the Settlement Currency (paragraph (7)) (the "**Currency Conversion**") pursuant to paragraph (8).] The Bonus Amount will be commercially rounded to [two][●] decimal places, as the case may be.
- (3) [(intentionally left blank)] [*insert in the case of Bonus Certificates with Cap:* The Cash Amount per Security corresponds at the most to the Maximum Amount. The "**Maximum Amount**" corresponds to the Cap multiplied by the Multiplier (paragraph (6)). The "**Cap**" corresponds to the Cap specified in Table 1 in the Annex to the Issue Specific Conditions. The Maximum Amount is [*if Currency Conversion is not applicable, insert:* denominated in the Settlement Currency (paragraph (7))] [*if Currency Conversion is applicable, insert:* converted from the Reference Currency (paragraph (7)) into the Settlement Currency (paragraph (7)) pursuant to paragraph (8) (the "**Currency Conversion**")]. The Maximum Amount will be commercially rounded to [two][●] decimal places, as the case may be.]
- (4) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the
- auf [zwei][●] Nachkommastellen kaufmännisch gerundet.
- (2) Sofern der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) zu keinem Zeitpunkt während des Beobachtungszeitraums (§ 3 (2) der Emissionsbezogenen Bedingungen) die Barriere (§ 3 (1) der Emissionsbezogenen Bedingungen) erreicht oder unterschreitet, entspricht der Auszahlungsbetrag je Wertpapier [mindestens] dem mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Bonuslevel (der "**Bonusbetrag**" oder der "**Mindestbetrag**"). Der "**Bonuslevel**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bonuslevel. Der Bonusbetrag wird [*sofern Währungsumrechnung nicht anwendbar ist, einfügen:* in der Auszahlungswährung ausgedrückt (Absatz (7))] [*sofern Währungsumrechnung anwendbar ist, einfügen:* gemäß Absatz (8) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Bonusbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.
- (3) [(entfällt)][*im Fall von Bonus Zertifikaten mit Cap einfügen:* Der Auszahlungsbetrag je Wertpapier entspricht höchstens dem Höchstbetrag. Der "**Höchstbetrag**" entspricht dem mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Cap. Der "**Cap**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Cap. Der Höchstbetrag wird [*sofern Währungsumrechnung nicht anwendbar ist, einfügen:* in der Auszahlungswährung ausgedrückt (Absatz (7))] [*sofern Währungsumrechnung anwendbar ist, einfügen:* gemäß Absatz (8) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Höchstbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.]
- (4) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenzpreis des Basiswerts am

Annex to the Issue Specific Conditions, on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions, has been determined.

- (5) The "**Reference Price**" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).
- (6) The "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (7) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.

*[if Currency Conversion is applicable, the following paragraph shall apply:*

- (8) *[if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] *[if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the

Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche Ausgabepreis**" ermittelt wurde.

- (5) Der "**Referenzpreis**" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).
- (6) Das "**Bezugsverhältnis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.
- (7) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.

*[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

- (8) *[sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung entspricht ("**Quanto**").] *[sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist



then existing market situation, as the exchange rate.]]

die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

Section 3  
Barrier; Observation Period

- (1) The "**Barrier**" corresponds to the Barrier specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Observation Period**" corresponds to the Observation Period specified in Table 1 in the Annex to the Issue Specific Conditions.

§ 3  
Barriere; Beobachtungszeitraum

- (1) Die "**Barriere**" entspricht der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Barriere.
- (2) Der "**Beobachtungszeitraum**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Beobachtungszeitraum.

Section 4  
Initial Reference Date; Final Valuation Date;  
Term; Business Day

- (1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Final Valuation Date**" is, subject to Section 10 of the Issue Specific Conditions, the Final Valuation Date specified in Table 1 in the Annex to the Issue Specific Conditions. If the Final Valuation Date is not a Calculation Date (Section 9 (2) of the Issue Specific Conditions), the Final Valuation Date is the next following day which is a Calculation Date.
- (3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**") and ends, subject to an extraordinary termination in accordance with Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions, on the Final Valuation Date (paragraph (2)).
- (4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business. In connection

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag;  
Laufzeit; Bankgeschäftstag

- (1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.
- (2) Der "**Finale Bewertungstag**" entspricht, vorbehaltlich § 10 der Emissionsbezogenen Bedingungen, dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finalen Bewertungstag. Sollte der Finale Bewertungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.
- (3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**") und endet, vorbehaltlich einer außerordentlichen Kündigung gemäß § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen, am Finalen Bewertungstag (Absatz (2)).
- (4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][,

with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert: the TARGET2-System is open and*] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business]. [*If EUR is specified as Settlement Currency, insert: "TARGET2-System" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.*]

[[und][ ●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen: das TARGET2-System geöffnet ist und*] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt[ und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ ●] für den Geschäftsverkehr geöffnet sind]. [*Sofern EUR als Auszahlungswährung festgelegt ist, einfügen: "TARGET2-System" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.*]

Section 5  
(intentionally left blank)

§ 5  
(entfällt)

Section 6  
Payments; Repayment Date

§ 6  
Zahlungen; Rückzahlungstag

- (1) The Issuer will cause the transfer of any Cash Amount by the [fifth][●] [5th] [●] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. If the Final Valuation Date is postponed pursuant to Section 4 (2) of the Issue Specific Conditions, the Security Holder is not entitled to demand interest or other payments on the basis of the postponement.
- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in connection with the exercise of the

- (1) Die Emittentin wird bis zu dem [fünften][●] [(5.)][●] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Sofern der Finale Bewertungstag gemäß § 4 (2) der Emissionsbezogenen Bedingungen verschoben wird, ist der Wertpapierinhaber nicht berechtigt, Zinsen oder sonstige Zahlungen aufgrund der Verschiebung zu verlangen.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der Ausübung der Wertpapierrechte bzw. mit

Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

Section 7  
(intentionally left blank)]

der Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

§ 7  
(entfällt)]

[in case of Product No 2, insert:

**Product No 2: Discount Certificates**

Section 1

Security Right; Transferability

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Discount Certificates (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

Section 2

Cash Amount

- (1) The "**Cash Amount**" per Security corresponds to the Reference Price (paragraph (4)) multiplied by the Multiplier (paragraph (5)), subject to the payment of a Maximum Amount (paragraph (2)). The Cash Amount is [*if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (6))*] [*if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (6)) into the Settlement Currency (paragraph (6)) pursuant to paragraph (7) (the "**Currency Conversion**")*]. The Cash Amount will be commercially rounded to [two][●] decimal places, as the case may be.
- (2) The Cash Amount per Security corresponds at the most to the Maximum Amount. The "**Maximum Amount**" corresponds to the Cap multiplied by the

[im Fall von Produkt Nr. 2 einfügen:

**Produkt Nr. 2: Discount Zertifikate**

§ 1

Wertpapierrecht; Übertragbarkeit

- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Discount Zertifikaten (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

§ 2

Auszahlungsbetrag

- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht, vorbehaltlich der Zahlung eines Höchstbetrags (Absatz (2)), dem mit dem Bezugsverhältnis (Absatz (5)) multiplizierten Referenzpreis (Absatz (4)). Der Auszahlungsbetrag wird [*sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (6))*] [*sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (7) von der Referenzwährung (Absatz (6)) in die Auszahlungswährung (Absatz (6)) umgerechnet (die "**Währungsumrechnung**")*]. Der Auszahlungsbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.
- (2) Der Auszahlungsbetrag je Wertpapier entspricht höchstens dem Höchstbetrag. Der "**Höchstbetrag**" entspricht dem mit dem Bezugsverhältnis (Absatz (5))

Multiplier (paragraph (5)). The "**Cap**" corresponds to the Cap specified in Table 1 in the Annex to the Issue Specific Conditions. The Maximum Amount is [*if Currency Conversion is not applicable, insert:* denominated in the Settlement Currency (paragraph (6))] [*if Currency Conversion is applicable, insert:* converted from the Reference Currency (paragraph (6)) into the Settlement Currency (paragraph (6)) pursuant to paragraph (7) (the "**Currency Conversion**")]. The Maximum Amount will be commercially rounded to [two][●] decimal places, as the case may be.

multiplizierten Cap. Der "**Cap**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Cap. Der Höchstbetrag wird [*sofern Währungsumrechnung nicht anwendbar ist, einfügen:* in der Auszahlungswährung ausgedrückt (Absatz (6))] [*sofern Währungsumrechnung anwendbar ist, einfügen:* gemäß Absatz (7) von der Referenzwährung (Absatz (6)) in die Auszahlungswährung (Absatz (6)) umgerechnet (die "**Währungsumrechnung**")]. Der Höchstbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.

(3) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the Annex to the Issue Specific Conditions, on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions, has been determined.

(3) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenzpreis des Basiswerts am Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche Ausgabepreis**" ermittelt wurde.

(4) The "**Reference Price**" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).

(4) Der "**Referenzpreis**" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).

(5) The "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.

(5) Das "**Bezugsverhältnis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.

(6) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.

(6) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.

[*if Currency Conversion is applicable, the following paragraph shall apply:*

[*sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

(7) [*if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] [*if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate

(7) [*sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] [*sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem

expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

Section 3  
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§ 3  
(entfällt)

Section 4  
Initial Reference Date; Final Valuation Date; Term; Business Day

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag; Laufzeit; Bankgeschäftstag

- (1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Final Valuation Date**" is, subject to Section 10 of the Issue Specific Conditions, the Final Valuation Date specified in Table 1 in the Annex to the Issue Specific Conditions. If the Final Valuation Date is not a Calculation Date (Section 9 (2) of the Issue Specific Conditions), the Final Valuation Date is the next following day which is a Calculation Date.
- (3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**")

- (1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.
- (2) Der "**Finale Bewertungstag**" entspricht, vorbehaltlich § 10 der Emissionsbezogenen Bedingungen, dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finalen Bewertungstag. Sollte der Finale Bewertungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.
- (3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste**

and ends, subject to an extraordinary termination in accordance with Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions, on the Final Valuation Date (paragraph (2)).

- (4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [if EUR is specified as Settlement Currency, insert: the TARGET2-System is open and] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business]. [If EUR is specified as Settlement Currency, insert: "**TARGET2-System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.]

Section 5  
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Section 6  
Payments; Repayment Date

- (1) The Issuer will cause the transfer of any Cash Amount by the [fifth][●] [5th][●] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. If the Final Valuation Date is postponed pursuant to Section 4 (2) of the Issue Specific Conditions, the Security Holder is not entitled to demand interest or other payments on the basis of the postponement.

**Valutatag**") und endet, vorbehaltlich einer außerordentlichen Kündigung gemäß § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen, am Finalen Bewertungstag (Absatz (2)).

- (4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [sofern EUR als Auszahlungswährung festgelegt ist, einfügen: das TARGET2-System geöffnet ist und] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt [und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind]. [Sofern EUR als Auszahlungswährung festgelegt ist, einfügen: "**TARGET2-System**" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.]

§ 5  
(entfällt)

§ 6  
Zahlungen; Rückzahlungstag

- (1) Die Emittentin wird bis zu dem [fünften][●] [(5.)][●] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Sofern der Finale Bewertungstag gemäß § 4 (2) der Emissionsbezogenen Bedingungen verschoben wird, ist der Wertpapierinhaber nicht berechtigt, Zinsen oder sonstige Zahlungen aufgrund der Verschiebung zu verlangen.

- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in connection with the exercise of the Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Cash Amount any taxes, fees or charges which are payable by the Security Holder, as aforementioned.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der Ausübung der Wertpapierrechte bzw. mit der Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

Section 7  
(intentionally left blank)]

§ 7  
(entfällt)]



[in case of Product No. 3, insert:

**Product No 3: [Open End Participation]  
[Open End Index] Certificates**

Section 1  
Security Right; Transferability

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Open End [Index] [Participation] Certificates (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

Section 2  
Cash Amount

- (1) The "**Cash Amount**" per Security corresponds to the Reference Price (paragraph (2)) multiplied by the Multiplier (paragraph (4)). The Cash Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (5))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (5)) into the Settlement Currency (paragraph (5)) pursuant to paragraph (6) (the "**Currency Conversion**")]. The Cash Amount will be commercially rounded to [two][•] decimal places, as the case may be.
- (2) The "**Reference Price**" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).

[im Fall von Produkt Nr. 3 einfügen:

**Produkt Nr. 3: [Open End Partizipations-]  
[Open End Index-] Zertifikate**

§ 1  
Wertpapierrecht; Übertragbarkeit

- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Open End [Index-][Partizipations-]Zertifikaten (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

§ 2  
Auszahlungsbetrag

- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht dem mit dem Bezugsverhältnis (Absatz (4)) multiplizierten Referenzpreis Absatz (2)). Der Auszahlungsbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (5))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (6) von der Referenzwährung (Absatz (5)) in die Auszahlungswährung (Absatz (5)) umgerechnet (die "**Währungsumrechnung**")]. Der Auszahlungsbetrag wird gegebenenfalls auf [zwei][•] Nachkommastellen kaufmännisch gerundet.
- (2) Der "**Referenzpreis**" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).

- (3) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the Annex to the Issue Specific Conditions, on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions, has been determined.
- (4) [The "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.][Initially the "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions. The Multiplier is adjusted on each Rollover Date in accordance with Section 9 (5) of the Issue Specific Conditions.]
- (5) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.

*[if Currency Conversion is applicable, the following paragraph shall apply:*

- (6) *[if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] *[if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown

(3) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenzpreis des Basiswerts am Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche Ausgabepreis**" ermittelt wurde.

(4) [Das "**Bezugsverhältnis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.][Das "**Bezugsverhältnis**" entspricht anfänglich dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis. Das Bezugsverhältnis wird an jedem Rollovertag gemäß § 9 (5) der Emissionsbezogenen Bedingungen angepasst.]

(5) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.

*[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

- (6) *[sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] *[sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird,

on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

Section 3  
(intentionally left blank)

§ 3  
(entfällt)

Section 4  
Initial Reference Date; Final Valuation Date;  
Term; Business Day

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag;  
Laufzeit; Bankgeschäftstag

- (1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Final Valuation Date**" is, in respect of Securities that have not yet been exercised pursuant to Section 5 of the Issue Specific Conditions, [the day following] the Termination Date in the case of a termination (Section 7 or Section 10 of the Issue Specific Conditions or Section 5 of the General Conditions) or, in the case of Securities effectively exercised pursuant to Section 5 of the Issue Specific Conditions, if the Underlying Price (Section 9 (2) of the Issue Specific Conditions) of the Underlying is usually determined on a Calculation Date (Section 9 (2) of the Issue Specific Conditions) after the Exercise Time (Section 5 (1) of the Issue Specific Conditions), the relevant Exercise Date (Section 5 (1) of the Issue Specific Conditions) or, if the Underlying Price of the Underlying is usually determined on a Calculation Date prior to the Exercise Time, the Calculation Date immediately following the relevant Exercise Date. If the Final Valuation Date is not a Calculation Date, the Final Valuation Date is the next following day which is a Calculation Date.

- (1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.
- (2) Der "**Finale Bewertungstag**" entspricht hinsichtlich noch nicht gemäß § 5 der Emissionsbezogenen Bedingungen ausgeübter Wertpapiere dem [dem] Kündigungstermin [nachfolgenden Tag im Fall einer Kündigung] (§ 7 bzw. § 10 der Emissionsbezogenen Bedingungen oder § 5 der Allgemeinen Bedingungen) bzw. hinsichtlich gemäß § 5 der Emissionsbezogenen Bedingungen wirksam ausgeübter Wertpapiere, sofern die Kursreferenz (§ 9 (2) der Emissionsbezogenen Bedingungen) des Basiswerts üblicherweise an einem Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) nach der Ausübungszeit (§ 5 (1) der Emissionsbezogenen Bedingungen) festgestellt wird, dem entsprechenden Ausübungstermin (§ 5 (1) der Emissionsbezogenen Bedingungen) bzw., falls die Kursreferenz des Basiswerts üblicherweise an einem Berechnungstag vor der Ausübungszeit festgestellt wird, dem Berechnungstag, der unmittelbar vor dem Ausübungstermin folgt. Sollte der Finale Bewertungstag kein Berechnungstag sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.

- (3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**") The end of the term has not yet been set and, in the case of Securities not yet exercised pursuant to Section 5 of the Issue Specific Conditions, corresponds to the Termination Date (Section 7 or Section 10 of the Issue Specific Conditions or Section 5 of the General Conditions).
- (4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert: the TARGET2-System is open and*] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business]. [*If EUR is specified as Settlement Currency, insert: "TARGET2-System" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.*]
- (3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**"). Das Laufzeitende steht gegenwärtig noch nicht fest und entspricht hinsichtlich noch nicht gemäß § 5 der Emissionsbezogenen Bedingungen ausgeübter Wertpapiere dem Kündigungstermin (§ 7 bzw. § 10 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen).
- (4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen: das TARGET2-System geöffnet ist und*] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt[ und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind]. [*Sofern EUR als Auszahlungswährung festgelegt ist, einfügen: "TARGET2-System" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.*]

Section 5  
Exercise of the Securities

- (1) The Securities may be exercised by the Security Holders pursuant to the following terms (the "**Exercise Right**"). The Exercise Right may be exercised by the Security Holders by [11.00][●] o'clock (Vienna time) (the "**Exercise Time**") from the start of the Exercise Period (the "**Start of the Exercise Period**") specified in Table 1 in the Annex to the Issue Specific Conditions, subject to an extraordinary or ordinary termination of the Securities in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions, on a Business Day in [Vienna][●] (in each case the "**Exercise Period**"). In the case of an extraordinary or ordinary termination in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions, the Securities may only be exercised no later than [11.00][●] o'clock (Vienna time) on the day the termination becomes effective. In the case of an extraordinary or ordinary termination of the Securities by the Issuer in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions before the end of the Exercise Period, the Exercise Period ends on the Termination Date.

"**Exercise Date**" means, subject to the following conditions, the Business Day in [Vienna][●], within the Exercise Period, on which all conditions specified in paragraphs (2) and (3) are fulfilled by [11.00][●] o'clock (Vienna time). If these conditions are fulfilled on a day that is not a Business Day in [Vienna][●] or after [11.00][●] o'clock (Vienna time) on a Business Day in [Vienna][●], the Exercise Date is considered to be the immediately following Business Day in [Vienna][●], provided this day falls within the Exercise Period.

- (2) Exercise Rights may only be exercised in each case for the minimum number of Securities as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Exercise Number**"). *[if a maximum exercise number is specified, insert: The total number of exercised Securities must*

§ 5  
Ausübung der Wertpapiere

- (1) Die Wertpapiere können durch die Wertpapierinhaber gemäß den nachfolgenden Bestimmungen ausgeübt werden (das "**Ausübungsrecht**"). Das Ausübungsrecht kann, vorbehaltlich einer außerordentlichen bzw. ordentlichen Kündigung der Wertpapiere gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen durch die Wertpapierinhaber, jeweils bis [11:00][●] Uhr (Ortszeit Wien) (die "**Ausübungszeit**") ab dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Beginn der Ausübungsfrist (der "**Beginn der Ausübungsfrist**") an jedem Bankgeschäftstag in [Wien][●] ausgeübt werden (jeweils die "**Ausübungsfrist**"). Im Fall einer außerordentlichen oder ordentlichen Kündigung gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen kann das Ausübungsrecht nur bis spätestens [11:00][●] Uhr (Ortszeit Wien) an dem Tag des Wirksamwerdens der Kündigung ausgeübt werden. Im Falle einer außerordentlichen oder ordentlichen Kündigung der Wertpapiere durch die Emittentin gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen vor Ablauf der Ausübungsfrist endet die Ausübungsfrist am Kündigungstermin.

"**Ausübungstermin**" ist, vorbehaltlich der nachfolgenden Bestimmungen, der Bankgeschäftstag in [Wien][●] innerhalb der Ausübungsfrist, an dem bis spätestens [11:00][●] Uhr (Ortszeit Wien) sämtliche in den Absätzen (2) und (3) genannten Bedingungen erfüllt sind. Falls diese Bedingungen an einem Tag erfüllt sind, der kein Bankgeschäftstag in [Wien][●] ist, oder nach [11:00][●] Uhr (Ortszeit Wien) an einem Bankgeschäftstag in [Wien][●], gilt der nächstfolgende Bankgeschäftstag in [Wien][●] als der Ausübungstermin, vorausgesetzt, dass dieser Tag in die Ausübungsfrist fällt.

- (2) Ausübungsrechte können jeweils nur für die Mindestausübungsmenge, wie in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegt, (die "**Mindestausübungsmenge**") ausgeübt werden. *[sofern eine Höchstausübungsmenge festgelegt ist,*

not exceed the maximum exercise number specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Maximum Exercise Number**").] On the exercise of the Securities on the relevant Exercise Date, all rights in respect of the redeemed Securities expire.

- (3) In order to exercise the Security Rights effectively, the following conditions must also be fulfilled on a Business Day within the Exercise Period:
- (a) a declaration signed with legally-binding effect must have been submitted to the Paying Agent (Section 3 (1) of the General Conditions), including the following information: (i) the name of the Security Holder, (ii) the designation and the number of the Securities, the Security Rights of which are exercised, (iii) a suitable bank account to which any Cash Amount denominated in the Settlement Currency is to be credited, and (iv) a declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person (the "**Exercise Notice**", a template is available at <https://produkte.erstegroup.com/Retail/en/ServiceAndContact/Downloads/index.phtml>). The Exercise Notice is, subject to Section 8 of the Issue Specific Conditions, irrevocable and binding. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time;
- (b) the Securities must have been received by the Paying Agent through credit of the Securities to the account of the Paying Agent at the Clearing System (Section 2 (1) of the General Conditions).
- (4) An Exercise Notice is void if the conditions specified in paragraph (3) are not fulfilled by the relevant Exercise Date. If the number of Securities stated in the Exercise Notice in relation to the exercise differs from the number of Securities registered with the Paying Agent, the Exercise Notice is considered to apply only to the lesser of the two quantities of Securities. Any excess Securities are to be transferred back to the Security Holder at such

*einfügen:* Die Gesamtzahl der ausgeübten Wertpapiere darf die in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegte Höchstausübungsmenge (die "**Höchstausübungsmenge**") nicht überschreiten.] Mit der Ausübung der Wertpapiere am jeweiligen Ausübungstermin erlöschen alle Rechte aus den eingelösten Wertpapieren.

- (3) Zu einer wirksamen Ausübung der Wertpapierrechte müssen an einem Bankgeschäftstag innerhalb der Ausübungsfrist ferner die folgenden Bedingungen erfüllt sein:
- (a) bei der Zahlstelle (§ 3 (1) der Allgemeinen Bedingungen) muss eine rechtsverbindlich unterzeichnete Erklärung eingereicht sein, die die folgenden Angaben enthält: (i) den Namen des Wertpapierinhabers, (ii) die Bezeichnung und die Anzahl der Wertpapiere, deren Wertpapierrechte ausgeübt werden, (iii) ein geeignetes Bankkonto, dem gegebenenfalls der Auszahlungsbetrag in der Auszahlungswährung gutgeschrieben werden soll, und (iv) eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (beneficial owner) der Wertpapiere eine US-Person ist (die "**Ausübungserklärung**", eine Vorlage ist unter <https://produkte.erstegroup.com/Retail/de/ServiceAndContact/Downloads/index.phtml> verfügbar). Die Ausübungserklärung ist, vorbehaltlich § 8 der Emissionsbezogenen Bedingungen, unwiderruflich und bindend. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung beigelegt ist;
- (b) die Wertpapiere müssen bei der Zahlstelle durch Gutschrift der Wertpapiere auf das Konto der Zahlstelle bei dem Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) eingegangen sein.
- (4) Eine Ausübungserklärung ist nichtig, wenn die in Absatz (3) genannten Bedingungen erst nach dem betreffenden Ausübungstermin erfüllt sind. Weicht die in der Ausübungserklärung genannte Zahl von Wertpapieren, für die die Ausübung beantragt wird, von der Zahl der bei der Zahlstelle eingegangenen Wertpapieren ab, so gilt die Ausübungserklärung nur für die der niedrigeren der beiden Zahlen entsprechende Anzahl von Wertpapieren als eingereicht. Etwaige überschüssige

Security Holder's own cost and risk.

- (5) All taxes, fees or other charges arising in connection with the exercise of Securities or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

#### Section 6

##### Payments; Repayment Date

- (1) The Issuer will cause the transfer of any Cash Amount by the [fifth][•] [(5th)][•] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System.
- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in connection with the exercise of the Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

#### Section 7

##### Ordinary Termination by the Issuer

- (1) The Issuer has the right to terminate the Securities at all times in their entirety, but not partially, during their term through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the calendar day on which the termination

Wertpapiere werden auf Kosten und Gefahr des Wertpapierinhabers an diesen zurück übertragen.

- (5) Alle im Zusammenhang mit der Ausübung von Wertpapieren bzw. mit der Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

#### § 6

##### Zahlungen; Rückzahlungstag

- (1) Die Emittentin wird bis zu dem [fünften][•] [(5.)][•] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der Ausübung der Wertpapierrechte bzw. mit der Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

#### § 7

##### Ordentliche Kündigung durch die Emittentin

- (1) Die Emittentin ist jederzeit berechtigt, die Wertpapiere insgesamt, jedoch nicht teilweise, während ihrer Laufzeit durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des Kalendertags, zu dem die Kündigung

becomes effective (the "**Termination Date**") and subject to a prior termination notice period of at least [three (3)][●] month[s] (the "**Termination Notice Period**") prior to the respective Termination Date effective on an Exercise Date. The termination amount (the "**Termination Amount**") is calculated in the same manner as the Cash Amount (Section 2 of the Issue Specific Conditions). For purposes of calculating the Cash Amount in accordance with Section 2 of the Issue Specific Conditions, [the day following] the Termination Date is deemed to be the Final Valuation Date in the sense of these Terms and Conditions. If this date should not be a Calculation Date, the next following Calculation Date is deemed to be the Final Valuation Date. The termination is irrevocable and must state the Termination Date.

- (2) The Issuer will cause the transfer of any Cash Amount by the [fifth][●] [5th][●] Business Day after the Termination Date for credit to the accounts of the depositors of the Securities with the Clearing System. In the case of an ordinary termination pursuant to paragraph (1), the declaration specified in Section 6 (2) of the Issue Specific Conditions is deemed to be issued automatically.
- (3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Cash Amount any taxes, fees or other charges payable by the Security Holder, as aforesaid.]

wirksam wird (der "**Kündigungstermin**"), und unter Wahrung einer Kündigungsfrist von mindestens [drei (3)][●] Monat[en] vor dem jeweiligen Kündigungstermin (die "**Kündigungsfrist**") mit Wirkung zu einem Ausübungstag zu kündigen. Der Kündigungsbetrag (der "**Kündigungsbetrag**") wird auf dieselbe Weise berechnet wie der Auszahlungsbetrag (§ 2 der Emissionsbezogenen Bedingungen). Für die Zwecke der Berechnung des Auszahlungsbetrags gemäß § 2 der Emissionsbezogenen Bedingungen gilt der [dem] Kündigungstermin [nachfolgende Tag] als Finaler Bewertungstag im Sinne dieser Zertifikatsbedingungen. Sollte dieser Tag kein Berechnungstag sein, so gilt der nächstfolgende Berechnungstag als Finaler Bewertungstag. Die Kündigung ist unwiderruflich und muss den Kündigungstermin benennen.

- (2) Die Emittentin wird bis zu dem [fünften][●] [(5.)][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer ordentlichen Kündigung gemäß Absatz (1) gilt die in § 6 (2) der Emissionsbezogenen Bedingungen genannte Erklärung als automatisch abgegeben.
- (3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Auszahlungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.]



[in case of Product No 4, insert:

**Product No 4: [Reverse Bonus] [Capped Reverse Bonus] Certificates**

- Section 1  
Security Right; Transferability
- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Reverse Bonus Certificates [with Cap] (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

- Section 2  
Cash Amount
- (1) The "**Cash Amount**" per Security corresponds to the difference between the Reverse Level (paragraph (8)) and the Reference Price (paragraph (5)) multiplied by the Multiplier (paragraph (6)), subject to the payment of a Minimum Amount (paragraph (2)) [and subject to the payment of a Maximum Amount (paragraph (3))], but at least zero (0). The Cash Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (7))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (7)) into the Settlement Currency (paragraph (7)) pursuant to paragraph (9) (the "**Currency Conversion**")]. The Cash Amount will be commercially rounded to [two][•] decimal places, as the case may be.
- (2) If the Observation Price (Section 9 (2) of the Issue Specific Conditions) does not

[im Fall von Produkt Nr. 4 einfügen:

**Produkt Nr. 4: [Reverse Bonus] [Capped Reverse Bonus] Zertifikate**

- § 1  
Wertpapierrecht; Übertragbarkeit
- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Reverse Bonus Zertifikaten [mit Cap] (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

- § 2  
Auszahlungsbetrag
- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht, vorbehaltlich einer der Zahlung eines Mindestbetrags (Absatz (2)) [und vorbehaltlich der Zahlung eines Höchstbetrags (Absatz (3))], der mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Differenz zwischen Reverselevel (Absatz (8)) und dem Referenzpreis (Absatz (5)) mindestens jedoch null (0). Der Auszahlungsbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (7))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (9) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Auszahlungsbetrag wird gegebenenfalls auf [zwei][•] Nachkommastellen kaufmännisch gerundet.
- (2) Sofern der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) zu

reach or exceed the Barrier (Section 3 (1) of the Issue Specific Conditions) at any time during the Observation Period (Section 3 (2) of the Issue Specific Conditions), the Cash Amount per Security corresponds [at least] to the difference between the Reverse Level (paragraph (8)) and the Bonus Level multiplied by the Multiplier (paragraph 6)) (the "**Bonus Amount**" or the "**Minimum Amount**"). The "**Bonus Level**" corresponds to the Bonus Level as specified in Table 1 in the Annex to the Issue Specific Conditions. The Bonus Amount [if Currency Conversion is not applicable, insert: is denominated in the Settlement Currency (paragraph (7))] [if Currency Conversion is applicable, insert: is converted from the Reference Currency (paragraph 7)) into the Settlement Currency (paragraph (7)) (the "**Currency Conversion**")]. pursuant to paragraph (9).] The Bonus Amount will be commercially rounded to [two][•] decimal places, as the case may be.

(3) [(intentionally left blank)] [insert in the case of Reverse Bonus Certificates with Cap:

The Cash Amount per Security corresponds at the most to the Maximum Amount. The "**Maximum Amount**" corresponds to the difference between the Reverse Level (paragraph (8)) and the Cap multiplied by the Multiplier (paragraph (6)). The "**Cap**" corresponds to the Cap specified in Table 1 in the Annex to the Issue Specific Conditions. The Maximum Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (7))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (7)) into the Settlement Currency (paragraph (7)) pursuant to paragraph (9) (the "**Currency Conversion**")]. The Maximum Amount will be commercially rounded to [two][•] decimal places, as the case may be.]

(4) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the Annex to the Issue Specific Conditions,

keinem Zeitpunkt während des Beobachtungszeitraums (§ 3 (2) der Emissionsbezogenen Bedingungen) die Barriere (§ 3 (1) der Emissionsbezogenen Bedingungen) erreicht oder überschreitet, entspricht der Auszahlungsbetrag je Wertpapier [mindestens] der mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Differenz zwischen dem Reverselevel (Absatz (8)) und dem Bonuslevel (der "**Bonusbetrag**" oder der "**Mindestbetrag**"). Der "**Bonuslevel**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bonuslevel. Der Bonusbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (7))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (9) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Bonusbetrag wird gegebenenfalls auf [zwei][•] Nachkommastellen kaufmännisch gerundet.

(3) [(entfällt)][im Fall von Reverse Bonus Zertifikaten mit Cap einfügen:

Der Auszahlungsbetrag je Wertpapier entspricht höchstens dem Höchstbetrag. Der "**Höchstbetrag**" entspricht der mit dem Bezugsverhältnis (Absatz (6)) multiplizierten Differenz zwischen dem Reverselevel (Absatz (8)) und dem Cap. Der "**Cap**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Cap. Der Höchstbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (7))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (9) von der Referenzwährung (Absatz (7)) in die Auszahlungswährung (Absatz (7)) umgerechnet (die "**Währungsumrechnung**")]. Der Höchstbetrag wird gegebenenfalls auf [zwei][•] Nachkommastellen kaufmännisch gerundet.]

(4) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenzpreis des Basiswerts am Anfänglichen Referenztag (§ 4 (1) der

on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions, and the Reverse Level (paragraph (8)) have been determined.

- (5) The "**Reference Price**" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).
- (6) The "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (7) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (8) The "**Reverse Level**" corresponds to the Reverse Level as specified in Table 1 in the Annex to the Issue Specific Conditions.

*[if Currency Conversion is applicable, the following paragraph shall apply:*

- (9) *[if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] *[if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent

Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche Ausgabepreis**" und der Reverselevel (Absatz (8)) ermittelt wurden.

- (5) Der "**Referenzpreis**" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).
- (6) Das "**Bezugsverhältnis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.
- (7) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.
- (8) Das "**Reverselevel**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Reverselevel.

*[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

- (9) *[sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] *[sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen

has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

Section 3  
Barrier; Observation Period

- (1) The "**Barrier**" corresponds to the Barrier specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Observation Period**" corresponds to the Observation Period specified in Table 1 in the Annex to the Issue Specific Conditions.

§ 3  
Barriere; Beobachtungszeitraum

- (1) Die "**Barriere**" entspricht der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Barriere.
- (2) Der "**Beobachtungszeitraum**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Beobachtungszeitraum.

Section 4  
Initial Reference Date; Final Valuation Date;  
Term; Business Day

- (1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Final Valuation Date**" is, subject to Section 10 of the Issue Specific Conditions, the Final Valuation Date specified in Table 1 in the Annex to the Issue Specific Conditions. If the Final Valuation Date is not a Calculation Date (Section 9 (2) of the Issue Specific Conditions), the Final Valuation Date is the next following day which is a Calculation Date.
- (3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**") and ends, subject to an extraordinary termination in accordance with Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions, on the Final Valuation Date (paragraph (2)).
- (4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna]],

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag;  
Laufzeit; Bankgeschäftstag

- (1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.
- (2) Der "**Finale Bewertungstag**" entspricht, vorbehaltlich § 10 der Emissionsbezogenen Bedingungen, dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finalen Bewertungstag. Sollte der Finale Bewertungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.
- (3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**") und endet, vorbehaltlich einer außerordentlichen Kündigung gemäß § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen, am Finalen Bewertungstag (Absatz (2)).
- (4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder

[[and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert:* the TARGET2-System is open and] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business]. [*If EUR is specified as Settlement Currency, insert:* "**TARGET2-System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.]

Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ ●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen:* das TARGET2-System geöffnet ist und] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt[ und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ ●] für den Geschäftsverkehr geöffnet sind]. [*Sofern EUR als Auszahlungswährung festgelegt ist, einfügen:* "**TARGET2-System**" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.]

Section 5  
(intentionally left blank)

§ 5  
(entfällt)

Section 6  
Payments; Repayment Date

§ 6  
Zahlungen; Rückzahlungstag

- (1) The Issuer will cause the transfer of any Cash Amount by the [[fifth][●] [5th] [●] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. If the Final Valuation Date is postponed pursuant to Section 4 (2) of the Issue Specific Conditions, the Security Holder is not entitled to demand interest or other payments on the basis of the postponement.
- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in connection with the exercise of the

- (1) Die Emittentin wird bis zu dem [[fünften][●] [(5.)][●]] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Sofern der Finale Bewertungstag gemäß § 4 (2) der Emissionsbezogenen Bedingungen verschoben wird, ist der Wertpapierinhaber nicht berechtigt, Zinsen oder sonstige Zahlungen aufgrund der Verschiebung zu verlangen.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der Ausübung der Wertpapierrechte bzw. mit der

Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

Section 7  
(intentionally left blank)]

§ 7  
(entfällt)]

[in case of Product No. 5, insert:

**Product No 5: [Participation] [Index] Certificates**

Section 1

Security Right; Transferability

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of [Index] [Participation] Certificates (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

Section 2

Cash Amount

- (1) The "**Cash Amount**" per Security corresponds to the Reference Price (paragraph (2)) multiplied by the Multiplier (paragraph (4)) [and the Management Factor (paragraph (7))]. The Cash Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (5))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (5)) into the Settlement Currency (paragraph (5)) pursuant to paragraph (6) (the "**Currency Conversion**")]. The Cash Amount will be commercially rounded to [two][•] decimal places, as the case may be.
- (2) The "**Reference Price**" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).
- (3) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference

[im Fall von Produkt Nr. 5 einfügen:

**Produkt Nr. 5: [Partizipations-] [Index-] Zertifikate**

§ 1

Wertpapierrecht; Übertragbarkeit

- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von [Index-][Partizipations-]Zertifikaten (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

§ 2

Auszahlungsbetrag

- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht dem mit dem Bezugsverhältnis (Absatz (4)) [und dem Managementfaktor (Absatz (7))] multiplizierten Referenzpreis Absatz (2)). Der Auszahlungsbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (5))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (6) von der Referenzwährung (Absatz (5)) in die Auszahlungswährung (Absatz (5)) umgerechnet (die "**Währungsumrechnung**")]. Der Auszahlungsbetrag wird gegebenenfalls auf [zwei][•] Nachkommastellen kaufmännisch gerundet.
- (2) Der "**Referenzpreis**" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).
- (3) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen

Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the Annex to the Issue Specific Conditions, on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions, has been determined.

- (4) The "**Multiplier**" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (5) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.

*[if Currency Conversion is applicable, the following paragraph shall apply:*

- (6) *[if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] *[if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

angegebenen Anfänglichen Referenzpreis des Basiswerts am Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche Ausgabepreis**" ermittelt wurde.

- (4) Das "**Bezugsverhältnis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.
- (5) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.

*[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

- (6) *[sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] *[sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden



[(7) The "**Management Factor**" or "**MF**" corresponds to the conversion of the Management Fee in line with the maturity and according to the following formula:

$$MF = 1 - \text{Management Fee} * (t / 365)$$

Whereby t means the number of calendar days since the Issue Date.

The Management Factor will be commercially rounded to [four][●] decimal places. The "**Management Fee**" corresponds to the Management Fee specified in Table 1 in the Annex to the Issue Specific Conditions.]

Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

[(7) Der "**Managementfaktor**" oder "**MF**" entspricht der laufzeitabhängigen Umrechnung der Managementgebühr und wird nach folgender Formel berechnet:

$$MF = 1 - \text{Managementgebühr} * (t / 365)$$

wobei "t" die Anzahl der Kalendertage seit dem Emissionstag bezeichnet.

Der Managementfaktor wird auf [vier][●] Nachkommastellen kaufmännisch gerundet. Die "**Managementgebühr**" entspricht der in der Tabelle 1 im Annex zu den Emissionsbezogenen Bedingungen angegebenen Managementgebühr.]

Section 3  
(intentionally left blank)

§ 3  
(entfällt)

Section 4  
Initial Reference Date; Final Valuation Date;  
Term; Business Day

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag;  
Laufzeit; Bankgeschäftstag

(1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.

(1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.

(2) The "**Final Valuation Date**" is, subject to Section 10 of the Issue Specific Conditions, the Final Valuation Date specified in Table 1 in the Annex to the Issue Specific Conditions. If the Final Valuation Date is not a Calculation Date (Section 9(2) of the Issue Specific Conditions), the Final Valuation Date is the next following day which is a Calculation Date.

(2) Der "**Finale Bewertungstag**" entspricht, vorbehaltlich § 10 der Emissionsbezogenen Bedingungen, dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finalen Bewertungstag. Sollte der Finale Bewertungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.

(3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**") and ends, subject to an extraordinary termination in accordance with Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions, on the Final Valuation Date (paragraph (2)).

(3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**") und endet, vorbehaltlich einer außerordentlichen Kündigung gemäß § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen, am Finalen Bewertungstag (Absatz (2)).

(4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and

(4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][,

[[●]] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert:* the TARGET2-System is open and] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●]] are open for business]. [*If EUR is specified as Settlement Currency, insert:* "**TARGET2-System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.]

[[und]][Frankfurt am Main][, ][und ][London][, ][und][ ●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen:* das TARGET2-System geöffnet ist und] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt[ und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ ●] für den Geschäftsverkehr geöffnet sind]. [*Sofern EUR als Auszahlungswährung festgelegt ist, einfügen:* "**TARGET2-System**" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.]

Section 5  
(intentionally left blank)

§ 5  
(entfällt)

Section 6  
Payments; Repayment Date

§ 6  
Zahlungen; Rückzahlungstag

- (1) The Issuer will cause the transfer of any Cash Amount by the [fifth][●] [(5th)][●] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. If the Final Valuation Date is postponed pursuant to Section 4 (2) of the Issue Specific Conditions, the Security Holder is not entitled to demand interest or other payments on the basis of the postponement.
- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in connection with the exercise of the

- (1) Die Emittentin wird bis zu dem [fünften][●] [(5.)][●] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Sofern der Finale Bewertungstag gemäß § 4 (2) der Emissionsbezogenen Bedingungen verschoben wird, ist der Wertpapierinhaber nicht berechtigt, Zinsen oder sonstige Zahlungen aufgrund der Verschiebung zu verlangen.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der Ausübung der Wertpapierrechte bzw. mit der

Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

Section 7  
(intentionally left blank)]

§ 7  
(entfällt)]

[in case of Product No 6, insert:

**Product No 6: [Twin Win] [Capped Twin Win] Certificates**

Section 1

Security Right: Transferability

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Twin Win Certificates [with Cap] (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

Section 2

Cash Amount

- (1) The "**Cash Amount**" per Security corresponds [subject to the payment of a Maximum Amount (paragraph (2))],
- (a) if the Observation Price (Section 9 (2) of the Issue Specific Conditions) does not reach or fall below the Barrier (Section 3 (1) of the Issue Specific Conditions) at any time during the Observation Period (Section 3 (2) of the Issue Specific Conditions) **and** the Reference Price (paragraph (5)) equals or exceeds the Strike (paragraph (3)), the product of (A) the Multiplier (paragraph (7)) and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Reference Price and Strike and (y) the Participation Factor[ 1] (paragraph (6)); expressed by the following formula:

$$\text{Cash Amount} = \text{Multiplier} \times (\text{Strike} + (\text{Reference Price} - \text{Strike}) \times \text{Participation Factor[ 1]})$$

[im Fall von Produkt Nr. 6 einfügen:

**Produkt Nr. 6: [Twin Win] [Capped Twin Win] Zertifikate**

§ 1

Wertpapierrecht: Übertragbarkeit

- (1) Erste Group Bank AG, Wien, Österreich, (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Twin Win Zertifikaten [mit Cap] (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen), das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

§ 2

Auszahlungsbetrag

- (1) Der "**Auszahlungsbetrag**" je Wertpapier entspricht[, vorbehaltlich der Zahlung eines Höchstbetrags (Absatz (2))],
- (a) sofern der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) zu keinem Zeitpunkt während des Beobachtungszeitraums (§ 3 (2) der Emissionsbezogenen Bedingungen) die Barriere (§ 3 (1) der Emissionsbezogenen Bedingungen) berührt oder unterschreitet **und** der Referenzpreis (Absatz (5)) dem Basispreis (Absatz (3)) entspricht oder diesen überschreitet, dem Produkt aus (A) dem Bezugsverhältnis (Absatz (7)) und (B) der Summe aus (i) dem Basispreis und (ii) dem Produkt aus (x) der Differenz zwischen dem Referenzpreis und dem Basispreis und (y) dem Partizipationsfaktor[ 1] (Absatz (6)); als Formel ausgedrückt wie folgt:

$$\text{Auszahlungsbetrag} = \text{Bezugsverhältnis} \times (\text{Basispreis} + (\text{Referenzpreis} -$$

- (b) if the Observation Price (Section 9 (2) of the Issue Specific Conditions) does not reach or fall below the Barrier (Section 3 (1) of the Issue Specific Conditions) at any time during the Observation Period (Section 3 (2) of the Issue Specific Conditions) **but** the Reference Price (paragraph (5)) falls below the Strike (paragraph (3)), the Cash Amount per Security corresponds to, the product of (A) the Multiplier (paragraph (7)) and (B) the sum of (i) the Strike and (ii) the product of (x) the difference between Strike and Reference Price and (y) the Participation Factor[ 2] (paragraph (6)); expressed by the following formula:

$$\text{Cash Amount} = \text{Multiplier} \times (\text{Strike} + (\text{Strike} - \text{Reference Price}) \times \text{Participation Factor[ 2]})$$

- (c) if the Observation Price (Section 9 (2) of the Issue Specific Conditions) reaches or falls below the Barrier (Section 3 (1) of the Issue Specific Conditions) at any time during the Observation Period (Section 3 (2) of the Issue Specific Conditions), the Cash Amount per Security corresponds to, the product of (i) the Reference Price (paragraph (5)) and (ii) the Multiplier (paragraph (7)). In this case the calculation of the Cash Amount is expressed by the following formula:

$$\text{Cash Amount} = \text{Reference Price} \times \text{Multiplier}$$

The Cash Amount is *[if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (8))]* *[if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (8)) into the Settlement Currency (paragraph (8)) pursuant to paragraph (9) (the "**Currency Conversion**")]*. The Cash Amount will be commercially rounded to *[two][●]* decimal places, as the case may be.]

- (2) [(intentionally left blank)] *[insert in the case of Capped Twin Win Certificates:*  
The Cash Amount per Security

Basispreis) x Partizipationsfaktor[ 1])

- (b) sofern der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) zu keinem Zeitpunkt während des Beobachtungszeitraums (§ 3 (2) der Emissionsbezogenen Bedingungen) die Barriere (§ 3 (1) der Emissionsbezogenen Bedingungen) berührt oder unterschreitet, **aber** der Referenzpreis (Absatz (5)) den Basispreis (Absatz (3)) unterschreitet, entspricht der Auszahlungsbetrag je Wertpapier dem Produkt aus (A) dem Bezugsverhältnis (Absatz (7)) und (B) der Summe aus (i) dem Basispreis und (ii) dem Produkt aus (x) der Differenz zwischen dem Basispreis und dem Referenzpreis und (y) dem Partizipationsfaktor[ 2] (Absatz (6)); als Formel ausgedrückt wie folgt:

$$\text{Auszahlungsbetrag} = \text{Bezugsverhältnis} \times (\text{Basispreis} + (\text{Basispreis} - \text{Referenzpreis}) \times \text{Partizipationsfaktor[ 2]})$$

- (c) sofern der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) zu irgendeiner Zeit während des Beobachtungszeitraums (§ 3 (2) der Emissionsbezogenen Bedingungen) die Barriere (§ 3 (1) der Emissionsbezogenen Bedingungen) berührt oder unterschreitet, entspricht der Auszahlungsbetrag je Wertpapier dem Produkt aus (i) dem Referenzpreis (Absatz (5)) und (ii) dem Bezugsverhältnis (Absatz (7)). Die Berechnung des Auszahlungsbetrags wird in diesem Fall als Formel wie folgt ausgedrückt:

$$\text{Auszahlungsbetrag} = \text{Referenzpreis} \times \text{Bezugsverhältnis}$$

Der Auszahlungsbetrag wird *[sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (8))]* *[sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (9) von der Referenzwährung (Absatz (8)) in die Auszahlungswährung (Absatz (8)) umgerechnet (die "**Währungsumrechnung**")]*. Der Auszahlungsbetrag wird gegebenenfalls auf *[zwei][●]* Nachkommastellen kaufmännisch gerundet.

- (2) [(entfällt)]*[im Fall von Twin Win Zertifikaten mit Cap einfügen:*

Der Auszahlungsbetrag je Wertpapier

corresponds at the most to the [respective] Maximum Amount. The "**Maximum Amount[ 1]**" corresponds to[, if [(a)] the Observation Price does not reach or fall below the Barrier at any time during the Observation Period and the Reference Price equals or exceeds the Strike,] or if (b) the Observation Price reaches or falls below the Barrier at any time during the Observation Period,] the Multiplier multiplied with the Cap[ 1]. The "**Cap[ 1]**" corresponds to the Cap[ 1] specified in Table 1 in the Annex to the Issue Specific Conditions. [The "**Maximum Amount 2**" corresponds to, if [(a)] the Observation Price does not reach or fall below the Barrier at any time during the Observation Period but the Reference Price falls below the Strike,] or if (b) the Observation Price reaches or falls below the Barrier at any time during the Observation Period,] the Multiplier multiplied with the Cap 2. The "**Cap 2**" corresponds to the Cap 2 specified in Table 1 in the Annex to the Issue Specific Conditions.] The [respective] Maximum Amount is [*if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (7))*] [*if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (8)) into the Settlement Currency (paragraph (8)) pursuant to paragraph (9) (the "**Currency Conversion**")*]. The Maximum Amount will be commercially rounded to [two][●] decimal places, as the case may be.]

- (3) The "**Strike**" corresponds to the Strike of the Underlying, as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (4) The "**Initial Reference Price**" corresponds to the Initial Reference Price of the Underlying on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions), as specified in Table 1 in the Annex to the Issue Specific Conditions, on the basis of which the "**Initial Issue Price**", as specified in Table 1 in the Annex to the Issue Specific Conditions has been determined.

entspricht höchstens dem [jeweiligen] Höchstbetrag. Der "**Höchstbetrag[ 1]**" entspricht[, sofern [(a)] der Beobachtungskurs zu keinem Zeitpunkt während des Beobachtungszeitraums die Barriere berührt oder unterschreitet und der Referenzpreis dem Basispreis entspricht oder diesen überschreitet,] oder sofern (b) der Beobachtungskurs zu irgendeiner Zeit während des Beobachtungszeitraums die Barriere berührt oder unterschreitet,] dem mit dem Bezugsverhältnis multiplizierten Cap[ 1]. Der "**Cap[ 1]**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Cap[ 1]. [Der "**Höchstbetrag 2**" entspricht, sofern [(a)] der Beobachtungskurs zu keinem Zeitpunkt während des Beobachtungszeitraums die Barriere berührt oder unterschreitet aber der Referenzpreis den Basispreis unterschreitet,] oder sofern (b) der Beobachtungskurs zu irgendeiner Zeit während des Beobachtungszeitraums die Barriere berührt oder unterschreitet,] dem mit dem Bezugsverhältnis multiplizierten Cap 2. Der "**Cap 2**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Cap 2.] Der [jeweilige] Höchstbetrag wird [*sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (8))*] [*sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (9) von der Referenzwährung (Absatz (8)) in die Auszahlungswährung (Absatz (8)) umgerechnet (die "**Währungsumrechnung**")*]. Der Höchstbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.]

- (3) Der "**Basispreis**" entspricht dem in der Tabelle 1 im Anhang zu den Emissionsbezogenen Bedingungen angegebenen Basispreis des Basiswerts.
- (4) Der "**Anfängliche Referenzpreis**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenzpreis des Basiswerts am Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen), auf dessen Basis der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene "**Anfängliche**"

- |  |  |
|--|--|
| <p>(5) The "<b>Reference Price</b>" corresponds to the Underlying Price (Section 9 (2) of the Issue Specific Conditions) on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions).</p>   | <p>(5) Der "<b>Referenzpreis</b>" entspricht der Kursreferenz des Basiswerts (§ 9 (2) der Emissionsbezogenen Bedingungen) am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen).</p>   |
| <p>(6) The "<b>Participation Factor[ 1]</b>" corresponds to the Participation Factor[ 1], as specified in Table 1 in the Annex to the Issue Specific Conditions. [The "<b>Participation Factor[ 2]</b>" corresponds to the Participation Factor[ 2], as specified in Table 1 in the Annex to the Issue Specific Conditions.]</p> | <p>(6) Der "<b>Partizipationsfaktor[ 1]</b>" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Partizipationsfaktor[ 1]. [Der "<b>Partizipationsfaktor[ 2]</b>" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Partizipationsfaktor[ 2].]</p> |
| <p>(7) The "<b>Multiplier</b>" corresponds to the Multiplier as specified in Table 1 in the Annex to the Issue Specific Conditions.</p>  | <p>(7) Das "<b>Bezugsverhältnis</b>" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Bezugsverhältnis.</p>   |
| <p>(8) The "<b>Settlement Currency</b>" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "<b>Reference Currency</b>" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.</p>                           | <p>(8) Die "<b>Auszahlungswährung</b>" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "<b>Referenzwährung</b>" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.</p>   |

*[if Currency Conversion is applicable, the following paragraph shall apply:*

- (9) *[if Quanto is applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] *[if Quanto is not applicable, insert:* The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its

*[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:*

- (9) *[sofern Quanto anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] *[sofern Quanto nicht anwendbar ist, einfügen:* Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt

reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

Section 3  
Barrier; Observation Period

§ 3  
Barriere; Beobachtungszeitraum

- (1) The "**Barrier**" corresponds to the Barrier specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Observation Period**" corresponds to the Observation Period specified in Table 1 in the Annex to the Issue Specific Conditions.

- (1) Die "**Barriere**" entspricht der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Barriere.
- (2) Der "**Beobachtungszeitraum**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Beobachtungszeitraum.

Section 4  
Initial Reference Date; Final Valuation Date;  
Term; Business Day

§ 4  
Anfänglicher Referenztag; Finaler Bewertungstag;  
Laufzeit; Bankgeschäftstag

- (1) The "**Initial Reference Date**" corresponds to the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions.
- (2) The "**Final Valuation Date**" is, subject to Section 10 of the Issue Specific Conditions, the Final Valuation Date specified in Table 1 in the Annex to the Issue Specific Conditions. If the Final Valuation Date is not a Calculation Date (Section 9 (2) of the Issue Specific Conditions), the Final Valuation Date is the next following day which is a Calculation Date.
- (3) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**") and ends, subject to an extraordinary termination in accordance with Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions, on the Final Valuation Date (paragraph (2)).
- (4) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions,

- (1) Der "**Anfängliche Referenztag**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Referenztag.
- (2) Der "**Finale Bewertungstag**" entspricht, vorbehaltlich § 10 der Emissionsbezogenen Bedingungen, dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finalen Bewertungstag. Sollte der Finale Bewertungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) sein, so ist der nächstfolgende Tag, der ein Berechnungstag ist, der Finale Bewertungstag.
- (3) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**") und endet, vorbehaltlich einer außerordentlichen Kündigung gemäß § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen, am Finalen Bewertungstag (Absatz (2)).
- (4) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen



each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert: the TARGET2-System is open and*] the Clearing System (Section 2 (1) of the General Conditions) processes payments [and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][●] are open for business]. [*If EUR is specified as Settlement Currency, insert: "TARGET2-System" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.*]

Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen: das TARGET2-System geöffnet ist und*] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt[ und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und ][●] für den Geschäftsverkehr geöffnet sind]. [*Sofern EUR als Auszahlungswährung festgelegt ist, einfügen: "TARGET2-System" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.*]

Section 5  
(intentionally left blank)

§ 5  
(entfällt)

Section 6  
Payments; Repayment Date

§ 6  
Zahlungen; Rückzahlungstag

- (1) The Issuer will cause the transfer of any Cash Amount by the [fifth][●] [5th] [●] Business Day after the Final Valuation Date (Section 4 (2) of the Issue Specific Conditions) (the "**Repayment Date**") to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System. If the Final Valuation Date is postponed pursuant to Section 4 (2) of the Issue Specific Conditions, the Security Holder is not entitled to demand interest or other payments on the basis of the postponement.
- (2) A declaration that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person is deemed to be issued automatically. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
- (3) All taxes, fees or other charges arising in

- (1) Die Emittentin wird bis zu dem [fünften][●] [(5.)][●] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 4 (2) der Emissionsbezogenen Bedingungen) (der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Zahlungsbetrags an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Sofern der Finale Bewertungstag gemäß § 4 (2) der Emissionsbezogenen Bedingungen verschoben wird, ist der Wertpapierinhaber nicht berechtigt, Zinsen oder sonstige Zahlungen aufgrund der Verschiebung zu verlangen.
- (2) Eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist, gilt als automatisch abgegeben. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung zugewiesen ist.
- (3) Alle im Zusammenhang mit der

connection with the exercise of the Security Rights or with the payment of the Cash Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

Section 7  
(intentionally left blank)]

Ausübung der Wertpapierrechte bzw. mit der Zahlung des Auszahlungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

§ 7  
(entfällt)]

[in case of Product No 7, insert:

[im Fall von Produkt Nr. 7 einfügen:

**Product No 7: Factor Long Certificates or  
Factor Short Certificates**

**Produkt Nr. 7: Faktor Long Zertifikate oder  
Faktor Short Zertifikate**

Section 1  
Security Right; Transferability

§ 1  
Wertpapierrecht; Übertragbarkeit

- (1) Erste Group Bank AG, Vienna, Austria, (the "**Issuer**") hereby grants the holder (the "**Security Holder**") of Factor Certificates (the "**Certificates**" or the "**Securities**"), relating to the Underlying (Section 9 (1) of the Issue Specific Conditions), the right (the "**Security Right**"), to demand payment of the Cash Amount (Section 2 (1) of the Issue Specific Conditions) in accordance with these Conditions.
- (2) The Certificates shall be transferable in a number equal to the Minimum Trading Number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Trading Number**") or an integral multiple thereof.

- (1) Erste Group Bank AG, Wien, Österreich (die "**Emittentin**") gewährt hiermit dem Inhaber (der "**Wertpapierinhaber**") von Faktor Zertifikaten (die "**Zertifikate**" oder die "**Wertpapiere**"), bezogen auf den Basiswert (§ 9 (1) der Emissionsbezogenen Bedingungen) das Recht (das "**Wertpapierrecht**"), nach Maßgabe dieser Bedingungen, die Zahlung des Auszahlungsbetrags (§ 2 (1) der Emissionsbezogenen Bedingungen) zu verlangen.
- (2) Die Zertifikate sind in einer Anzahl, die dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Mindesthandelsvolumen entspricht (das "**Mindesthandelsvolumen**"), oder einem ganzzahligen Vielfachen davon übertragbar.

Section 2  
Cash Amount

§ 2  
Auszahlungsbetrag

- (1) The "**Cash Amount**" per Security on a Calculation Date (Section 9 (2) of the Issue Specific Conditions) after the First Settlement Date (Section 5 (4) of the Issue Specific Conditions) corresponds to the difference between (i) the product of the Cash Amount on the previous Calculation Date (the "**Previous Cash Amount**") and the Daily Leveraged Performance (paragraph (3)) and (ii) the Financing Costs (paragraph (7)) (if the type of Security is specified in Table 1 in the Annex to the Issue Specific Conditions as Factor Long Certificates, the "**Factor Long Certificates**") or the sum of (i) the product of the Previous Cash Amount and the Daily Leveraged Performance and (ii) the Financing Costs (if the type of Security is specified in Table 1 in the Annex to the Issue Specific Conditions as Factor Short Certificates, the "**Factor Short Certificates**"), each commercially rounded to [four][●] decimal places, as the case may be. The Cash

- (1) Der "**Auszahlungsbetrag**" je Wertpapier an einem Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) nach dem Ersten Valutatag (§ 5 (4) der Emissionsbezogenen Bedingungen) entspricht der Differenz aus (i) dem Produkt aus dem Auszahlungsbetrag am vorangegangenen Berechnungstag (der "**Vorherige Auszahlungsbetrag**") und der Täglichen Gehebelten Wertentwicklung (Absatz (3)) und (ii) den Finanzierungskosten (Absatz (7)) (sofern der Wertpapier Typ in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen als Faktor Long Zertifikate festgelegt ist, die "**Faktor Long Zertifikate**") bzw. der Summe aus (i) dem Produkt aus dem Vorherigen Auszahlungsbetrag und der Täglichen Gehebelten Wertentwicklung und (ii) den Finanzierungskosten (sofern der Wertpapier Typ in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen als Faktor Short Zertifikate festgelegt ist, die "**Faktor Short Zertifikate**"), jeweils

Amount is at least zero (0). The Cash Amount is [if Currency Conversion is not applicable, insert: denominated in the Settlement Currency (paragraph (2))] [if Currency Conversion is applicable, insert: converted from the Reference Currency (paragraph (2)) into the Settlement Currency (paragraph (2)) pursuant to paragraph (8) (the "**Currency Conversion**")]. On the First Settlement Date, the calculation of the Cash Amount is based on the "**Initial Cash Amount**" as specified in Table 1 in the Annex to the Issue Specific Conditions.

- (2) The "**Settlement Currency**" corresponds to the Settlement Currency as specified in Table 1 in the Annex to the Issue Specific Conditions. The "**Reference Currency**" corresponds to the Reference Currency as specified in Table 1 in the Annex to the Issue Specific Conditions.
- (3) The "**Daily Leveraged Performance**" corresponds to the sum of (i) one (1) and (ii) the product of the Performance in Percent of the Underlying (paragraph (4)) and the Factor (paragraph (5)).
- (4) The "**Performance in Percent of the Underlying**" on a Calculation Date corresponds to the difference between (i) the quotient of the Reference Price (paragraph (6)) and the Previous Reference Price (paragraph (6)) and (ii) one (1) (Factor Long Certificates) or the difference between (i) one (1) and (ii) the quotient of the Reference Price and the Previous Reference Price (Factor Short Certificates), calculated in accordance with the following formula:
- Factor Long Certificates:  

$$\left( \frac{\text{Reference Price}}{\text{Previous Reference Price}} - 1 \right)$$
Factor Short Certificates:  

$$\left( 1 - \frac{\text{Reference Price}}{\text{Previous Reference Price}} \right)$$
- (5) The "**Factor**" corresponds to the Factor specified in Table 1 in the Annex to the Issue Specific Conditions.
- (6) The "**Reference Price**" corresponds on each Calculation Date (Section 9 (2) of the Issue Specific Conditions), subject to

auf [vier][•] Nachkommastellen kaufmännisch gerundet. Der Auszahlungsbetrag beträgt mindestens null (0). Der Auszahlungsbetrag wird [sofern Währungsumrechnung nicht anwendbar ist, einfügen: in der Auszahlungswährung ausgedrückt (Absatz (2))] [sofern Währungsumrechnung anwendbar ist, einfügen: gemäß Absatz (8) von der Referenzwährung (Absatz (2)) in die Auszahlungswährung (Absatz (2)) umgerechnet (die "**Währungsumrechnung**")]. Am Ersten Valutatag wird für die Berechnung des Auszahlungsbetrags der "**Anfängliche Auszahlungsbetrag**" zugrunde gelegt, wie in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegt.

- (2) Die "**Auszahlungswährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Auszahlungswährung. Die "**Referenzwährung**" entspricht der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.
- (3) Die "**Tägliche Gehebelte Wertentwicklung**" entspricht der Summe aus (i) eins (1) und (ii) dem Produkt aus der Prozentualen Wertentwicklung des Basiswerts (Absatz (4)) und dem Faktor (Absatz (5)).
- (4) Die "**Prozentuale Wertentwicklung des Basiswerts**" an einem Berechnungstag entspricht der Differenz aus (i) dem Quotienten aus dem Referenzpreis (Absatz (6)) und dem Vorherigen Referenzpreis (Absatz (6)) und (ii) eins (1) (bei Faktor Long Zertifikaten) bzw. der Differenz aus (i) eins (1) und (ii) dem Quotienten aus dem Referenzpreis und dem Vorherigen Referenzpreis (bei Faktor Short Zertifikaten), berechnet gemäß der nachfolgenden Formel:
- Bei Faktor Long Zertifikaten:  

$$\left( \frac{\text{Referenzpreis}}{\text{Vorheriger Referenzpreis}} - 1 \right)$$
Bei Faktor Short Zertifikaten:  

$$\left( 1 - \frac{\text{Referenzpreis}}{\text{Vorheriger Referenzpreis}} \right)$$
- (5) Der "**Faktor**" entspricht dem in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Faktor.
- (6) Der "**Referenzpreis**" entspricht an jedem Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen),

Section 8 of the Issue Specific Conditions [and the following sentences], to the Underlying Price (Section 9 (2) of the Issue Specific Conditions).

*[in case of shares and price indices as Underlying insert:* In the case of Shares and Price Indices as Underlying the Reference Price on Calculation Dates, that are at the same time Dividend Record Dates, corresponds to the Reference Price on this Calculation Date plus [the gross-dividend amount per Share or per share represented in the Price Index taking into account the weighting of the relevant shares in the Price Index.][the Dividend Effect. The **"Dividend Effect"** corresponds to an amount, which is calculated by the Calculation Agent in its reasonable discretion based on the dividends or cash distributions equivalent to dividends distributed on a Dividend Record Date on the relevant Share or on one or several shares represented in the index. In the case of Factor Long Certificates the Dividend Effect is also multiplied by the Dividend Factor. The **"Dividend Factor"** on any given day corresponds in the case of Shares and price indices to a value between 0 and 1, which is calculated by the Calculation Agent in its reasonable discretion based on the taxes or charges payable by the Calculation Agent on the dividends or cash distributions equivalent to dividends distributed on that day on the relevant Share or one or several of the shares represented in the index.] A **"Dividend Record Date"** is a day on which Shares of the relevant company for which dividends or cash amounts equivalent to dividends are to be distributed are traded "ex dividend" on their relevant primary exchange.]

The **"Previous Reference Price"** corresponds on each Calculation Date (Section 9 (2) of the Issue Specific Conditions) to the Reference Price on the previous Calculation Date or, if a Stop-Loss Event (Section 3 (3) of the Issue Specific Conditions) has occurred between the time of determination of the Reference Price on the previous Calculation Date and the determination of the Reference Price on the Calculation Date, to the Stop-Loss Reference Price

vorbehaltlich § 8 der Emissionsbezogenen Bedingungen [und der folgenden Sätze], der Kursreferenz (§ 9 (2) der Emissionsbezogenen Bedingungen).

*[im Fall von Aktien und Kursindizes als Basiswert einfügen:* Bei Aktien und Kursindizes als Basiswert entspricht der Referenzpreis an Berechnungstagen, die gleichzeitig Dividententage sind, dem Referenzpreis an diesem Berechnungstag zuzüglich [den Brutto-Dividendenbeträgen je Aktie bzw. im Kursindex enthaltene Aktien unter Berücksichtigung der Gewichtung der relevanten Aktien im Kursindex.][des Dividendeneinflusses. Der **"Dividendeneinfluss"** entspricht einem Betrag, der von der Berechnungsstelle nach billigem Ermessen auf Grundlage der an einem Dividententag auf die jeweilige Aktie bzw. auf eine oder mehrere der im Index vertretenen Aktien ausgeschütteten Dividenden bzw. Dividenden gleichstehenden Barausschüttungen berechnet wird. Bei Faktor Long Zertifikaten wird der Dividendeneinfluss zusätzlich mit dem Dividendenfaktor multipliziert. Der **"Dividendenfaktor"** an einem angegebenen Tag entspricht bei Aktien und Kursindizes einem Wert zwischen 0 und 1, der auf Grundlage der an diesem Tag auf die entsprechende Aktie bzw. auf eine oder mehrere der im Index vertretenen Aktien ausgeschütteten Dividenden bzw. Dividenden gleichstehenden Barausschüttungen von der Berechnungsstelle zu zahlenden Steuern oder Abgaben von der Berechnungsstelle nach billigem Ermessen berechnet wird.] Ein **"Dividententag"** ist ein Tag, an dem Aktien des betreffenden Unternehmens, auf die Dividenden bzw. Dividenden gleichstehende Barbeträge ausgeschüttet werden sollen, an ihrer entsprechenden Heimatbörse "ex Dividende" gehandelt werden.]

Der **"Vorherige Referenzpreis"** entspricht an jedem Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) dem Referenzpreis am vorangegangenen Berechnungstag oder, sofern zwischen dem Zeitpunkt der Feststellung des Referenzpreises am vorangegangenen Berechnungstag und der Feststellung des Referenzpreises am Berechnungstag ein Stop-Loss Ereignis (§ 3 (3) der Emissionsbezogenen Bedingungen) eingetreten ist, dem Stop-

(Section 3 (4) of the Issue Specific Conditions). If a Market Disruption Event within the meaning of Section 8 (2) of the Issue Specific Conditions has occurred on the previous Calculation Date, the relevant Reference Price corresponds to the Reference Price on the immediately previous Calculation Date on which no Market Disruption Event has occurred.

[In case of futures contracts as Underlying and as far as Rollover is applicable, insert: If the Calculation Date is a Rollover Date (Section 9 (5) of the Issue Specific Conditions) the Previous Reference Price will be calculated on the basis of the new futures contract.]

- (7) The Financing Costs ("**FC**") correspond to the product of (i) the Previous Cash Amount, (ii) the difference between the Factor and one (1) and (iii) the quotient of (x) the sum of the Financing Rate and the Margin and (y) 360 (Factor Long Certificates) or the product of (i) the Previous Cash Amount, (ii) the difference between the Factor and one (1), (iii) the quotient of (x) the difference between the Financing Rate and the Margin and (y) 360 (Factor Short Certificates) and (iv) the number of calendar days, calculated in accordance with the following formula:

Factor Long Certificates:

$$FC = PA * (F - 1) * \left(\frac{R + M}{360}\right) * d$$

Factor Short Certificates:

$$FC = PA * (F - 1) * \left(\frac{R - M}{360}\right) * d$$

The following definitions apply:

"**PA**" is the Previous Cash Amount in accordance with paragraph (1).

"**Factor**" or "**F**" is the Factor in accordance with paragraph (5).

The "**Financing Rate**" or "**R**" is the Financing Rate specified in Table 1 in the Annex to the Issue Specific Conditions.

The "**Margin**" oder "**M**" is the additional interest specified in Table 1 in the Annex to the Issue Specific Conditions (Factor Long Certificates) or interest deduction

Loss Referenzpreis (§ 3 (4) der Emissionsbezogenen Bedingungen). Sofern am vorangegangenen Berechnungstag ein Marktstörungsereignis im Sinne von § 8 (2) der Emissionsbezogenen Bedingungen vorgelegen hat, entspricht der maßgebliche Referenzpreis dem Referenzpreis am unmittelbar vorangegangenen Berechnungstag, an dem kein Marktstörungsereignis vorgelegen hat.

[im Fall von Futures Kontrakten als Basiswert und soweit Rollover anwendbar ist, einfügen: Falls der Berechnungstag ein Rollovertag (§ 9 (5) der Emissionsbezogenen Bedingungen) ist, wird der Vorherige Referenzpreis auf Basis des neuen Futures Kontrakts berechnet.]

- (7) Die Finanzierungskosten ("**FK**") entsprechen dem Produkt aus (i) dem Vorherigen Auszahlungsbetrag, (ii) der Differenz aus dem Faktor und eins (1) und (iii) dem Quotienten aus (x) der Summe aus der Finanzierungsrate und der Marge und (y) 360 (bei Faktor Long Zertifikaten) bzw. dem Produkt aus (i) dem Vorherigen Auszahlungsbetrag, (ii) der Differenz aus dem Faktor und eins (1), (iii) dem Quotienten aus (x) der Differenz aus der Finanzierungsrate und der Marge und (y) 360 (bei Faktor Short Zertifikaten) und (iv) der Anzahl der Kalendertage, berechnet gemäß der nachfolgenden Formel:

Bei Faktor Long Zertifikaten:

$$FK = VA * (F - 1) * \left(\frac{R + M}{360}\right) * d$$

Bei Faktor Short Zertifikaten:

$$FK = VA * (F - 1) * \left(\frac{R - M}{360}\right) * d$$

Dabei gelten die folgenden Definitionen:

"**VA**" ist der Vorherige Auszahlungsbetrag gemäß Absatz (1).

"**Faktor**" oder "**F**" ist der Faktor gemäß Absatz (5).

Die "**Finanzierungsrate**" oder "**R**" ist die in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Finanzierungsrate.

Die "**Marge**" oder "**M**" ist der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebene Zinsaufschlag (bei Faktor Long Zertifikaten) bzw.

(Factor Short Certificates).

"d" is the number of calendar days between the last previous Calculation Date and the current Calculation Date.

[if Currency Conversion is applicable, the following Paragraph shall apply:

- (8) [if Quanto is applicable, insert: The Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency ("**Quanto**").] [if Quanto is not applicable, insert: The Reference Currency is converted into the Settlement Currency by the Calculation Agent based on the exchange rate expressed in the Reference Currency for one unit of the Settlement Currency, which is shown on the Final Valuation Date (Section 5 (2) of the Issue Specific Conditions) on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the then existing market situation, as the exchange rate.]]

### Section 3 Stop-Loss Mechanism

- (1) The "**Stop-Loss Barrier**" corresponds on each Calculation Date (Section 9 (2) of the Issue Specific Conditions) after the First Settlement Date (Section 5 (4) of the Issue Specific Conditions) to the Previous

Zinsabschlag (bei Faktor Short Zertifikaten).

"d" ist die Anzahl der Kalendertage zwischen dem letzten vorangegangenen Berechnungstag und dem aktuellen Berechnungstag.

[sofern Währungsumrechnung anwendbar ist, gilt der folgende Absatz:

- (8) [sofern Quanto anwendbar ist, einfügen: Die Referenzwährung wird von der Berechnungsstelle in die Auszahlungswährung umgerechnet, wobei eine Einheit der Referenzwährung einer Einheit der Auszahlungswährung entspricht ("**Quanto**").] [sofern Quanto nicht anwendbar ist, einfügen: Die Referenzwährung wird von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für eine Einheit der Auszahlungswährung, wie am Finalen Bewertungstag (§ 5 (2) der Emissionsbezogenen Bedingungen) auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite**"), oder einer diese ersetzende Seite, angezeigt, in die Auszahlungswährung umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktansichten und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.]]

### § 3 Stop-Loss Mechanismus

- (1) Die "**Stop-Loss Barriere**" entspricht an jedem Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) nach dem Ersten Valutatag (§ 5 (4) der Emissionsbezogenen Bedingungen) dem

Reference Price (Section 2 (6) of the Issue Specific Conditions) multiplied by the Stop-Loss Factor (paragraph (2)). The respective result will be commercially rounded to [four][●] decimal places. On the First Settlement Date the Stop-Loss Barrier (the "**Initial Stop-Loss Barrier**") corresponds to the [Initial Stop-Loss Barrier specified in Table 1 in the Annex to the Issue Specific Conditions.] [Reference Price on the Calculation Date prior to the First Settlement Date multiplied by the Stop-Loss Factor. The result will be commercially rounded to [four][●] decimal places. If a Market Disruption Event within the meaning of Section 8 (2) of the Issue Specific Conditions has occurred on the previous Calculation Date, the relevant Reference Price on the basis of which the Initial Stop-Loss Barrier will be determined corresponds to the Reference Price on the immediately preceding Calculation Date on which no Market Disruption Event has occurred.]

- (2) The "**Stop-Loss Factor**" corresponds to the result of the following calculation:

**Factor Long Certificates**  
 $1 - \text{Stop-Loss Buffer}$   
**Factor Short Certificates**  
 $1 + \text{Stop-Loss Buffer}$

Whereby

"**Stop-Loss Buffer**" corresponds to the Stop-Loss Buffer specified in Table 1 in the Annex to the Issue Specific Conditions.

- (3) A "**Stop-Loss Event**" occurs, if the Observation Price (Section 9 (2) of the Issue Specific Conditions) during the Calculation Hours (Section 9 (2) of the Issue Specific Conditions) on a Calculation Date reaches or falls below the Stop-Loss Barrier on this Calculation Date (Factor Long Certificates) or reaches or exceeds the Stop-Loss Barrier (Factor Short Certificates).

- (4) The "**Stop-Loss Reference Price**" on a Calculation Date corresponds to the Stop-Loss Barrier on this Calculation Date.

Vorherigen Referenzpreis (§ 2 (6) der Emissionsbezogenen Bedingungen) multipliziert mit dem Stop-Loss Faktor (Absatz (2)). Das jeweilige Ergebnis wird auf [vier][●] Nachkommastellen kaufmännisch gerundet. Am Ersten Valutatag entspricht die Stopp-Loss Barriere (die "**Anfängliche Stop-Loss Barriere**") [der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Stop-Loss Barriere.] [dem Referenzpreis an dem dem Ersten Valutatag vorangegangenen Berechnungstag multipliziert mit dem Stop-Loss Faktor. Das Ergebnis wird auf [vier][●] Nachkommastellen kaufmännisch gerundet. Sofern am vorangegangenen Berechnungstag ein Marktstörungsereignis im Sinne von § 8 (2) der Emissionsbezogenen Bedingungen vorgelegen hat, entspricht der maßgebliche Referenzpreis, auf dessen Basis die Anfängliche Stop-Loss Barriere festgelegt wird, dem Referenzpreis am unmittelbar vorangegangenen Berechnungstag, an dem kein Marktstörungsereignis vorgelegen hat.]

- Der "**Stop-Loss Faktor**" entspricht dem Ergebnis folgender Berechnung:

**bei Faktor Long Zertifikaten**  
 $1 - \text{Stop-Loss Puffer}$   
**bei Faktor Short Zertifikaten**  
 $1 + \text{Stop-Loss Puffer}$

wobei gilt:

"**Stop-Loss Puffer**" entspricht dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Stop-Loss Puffer.

- (3) Ein "**Stop-Loss Ereignis**" liegt vor, wenn der Beobachtungskurs (§ 9 (2) der Emissionsbezogenen Bedingungen) während der Berechnungsstunden (§ 9 (2) der Emissionsbezogenen Bedingungen) an einem Berechnungstag die Stop-Loss Barriere an diesem Berechnungstag erreicht oder unterschreitet (bei Faktor Long Zertifikaten) bzw. erreicht oder überschreitet (bei Faktor Short Zertifikaten).

- Der "**Stop-Loss Referenzpreis**" an einem Berechnungstag entspricht der Stop-Loss Barriere an diesem Berechnungstag.



Section 4  
Exercise of the Securities

- (1) The Securities may be exercised by the Security Holders according to the following provisions (the "**Exercise Right**"). The Exercise Right may be exercised by the Security Holder, subject to an extraordinary termination or an ordinary termination of the Securities in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions, until [11 a.m.][●] (local time Vienna) (the "**Exercise Time**") starting at the Start of the Exercise Period specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Start of the Exercise Period**") on each Business Day in [Vienna][●] (each the "**Exercise Period**"). In case of an extraordinary or ordinary termination in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions the Exercise Right may only be exercised no later than [11 a.m.][●] (local time Vienna) on the day on which the termination becomes effective. In case of an extraordinary or ordinary termination of the Securities by the Issuer in accordance with Section 10 or Section 7 of the Issue Specific Conditions or Section 5 of the General Conditions before the end of the Exercise Period, the Exercise Period ends [at the Exercise Time] on [the last Business Day prior to] the Termination Date.
- (2) Exercise Rights may only be exercised in each case for the minimum exercise number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Minimum Exercise Number**"). *[if a Maximum Exercise Number is specified, insert: The total number of Securities exercised must not exceed the maximum exercise number as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Maximum Exercise Number**").]* With the exercise of the Securities on the relevant Exercise Date all the rights of the realised Securities expire.
- (3) In order to exercise the Security Rights effectively, the following conditions must

§ 4  
Ausübung der Wertpapiere

- (1) Die Wertpapiere können durch die Wertpapierinhaber gemäß den nachfolgenden Bestimmungen ausgeübt werden (das "**Ausübungsrecht**"). Das Ausübungsrecht kann, vorbehaltlich einer außerordentlichen bzw. ordentlichen Kündigung der Wertpapiere gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen durch die Wertpapierinhaber, jeweils bis [11:00][●] Uhr (Ortszeit Wien) (die "**Ausübungszeit**") ab dem in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Beginn der Ausübungsfrist (der "**Beginn der Ausübungsfrist**") an jedem Bankgeschäftstag in [Wien][●] ausgeübt werden (jeweils die "**Ausübungsfrist**"). Im Fall einer außerordentlichen oder ordentlichen Kündigung gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen kann das Ausübungsrecht nur bis spätestens [11:00][●] Uhr (Ortszeit Wien) an dem Tag des Wirksamwerdens der Kündigung ausgeübt werden. Im Falle einer außerordentlichen oder ordentlichen Kündigung der Wertpapiere durch die Emittentin gemäß § 10 bzw. § 7 der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen vor Ablauf der Ausübungsfrist endet die Ausübungsfrist [zur Ausübungszeit] am [letzten Bankgeschäftstag vor dem] Kündigungstermin.
- (2) Ausübungsrechte können jeweils nur für die Mindestausübungsmenge, wie in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegt, (die "**Mindestausübungsmenge**") ausgeübt werden. *[sofern eine Höchstausübungsmenge festgelegt ist, einfügen: Die Gesamtzahl der ausgeübten Wertpapiere darf die in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegte Höchstausübungsmenge (die "**Höchstausübungsmenge**") nicht überschreiten.]* Mit der Ausübung der Wertpapiere am jeweiligen Ausübungstag erlöschen alle Rechte aus den eingelösten Wertpapieren.
- (3) Zur wirksamen Ausübung der Wertpapierrechte müssen an einem

also be fulfilled on a Business Day within the Exercise Period:

- (a) a declaration signed with legally-binding effect must have been submitted to the Paying Agent (Section 3 (1) of the General Conditions), including the following information: (i) the name of the Security Holder, (ii) the designation and the number of the Securities, the Security Rights of which are exercised, (iii) a suitable bank account, to which any Cash Amount denominated in the Settlement Currency is to be credited, and (iv) a declaration, that neither the Security Holder nor the beneficial owner of the Securities is a U.S. person (the "**Exercise Notice**", a template is available at <https://produkte.erstegroup.com/Retail/>). The Exercise Notice is, subject to Section 8 of the Issue Specific Conditions, irrevocable and binding. The terms used in this paragraph have the meaning ascribed to them in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time;
- (b) the Securities must have been received by the Paying Agent through credit of the Securities to the account of the Paying Agent at the Clearing System (Section 2 (1) of the General Conditions).

#### Section 5

Exercise Date; Final Valuation Date; Business Day; Term of the Securities

- (1) "**Exercise Date**" is, subject to the following provisions, the Business Day on which all conditions set forth in Section 4 (2) and (3) of the Issue Specific Conditions are fulfilled no later than by the Exercise Time (Section 4 (1) of the Issue Specific Conditions). If these conditions are fulfilled on a date, which is not a

Bankgeschäftstag innerhalb der Ausübungsfrist ferner die folgenden Bedingungen erfüllt sein:

- (a) bei der Zahlstelle (§ 3 (1) der Allgemeinen Bedingungen) muss eine rechtsverbindlich unterzeichnete Erklärung eingereicht sein, die die folgenden Angaben enthält: (i) den Namen des Wertpapierinhabers, (ii) die Bezeichnung und die Anzahl der Wertpapiere, deren Wertpapierrechte ausgeübt werden, (iii) ein geeignetes Bankkonto, dem gegebenenfalls der Auszahlungsbetrag in der Auszahlungswährung gutgeschrieben werden soll, und (iv) eine Erklärung, dass weder der Wertpapierinhaber noch der wirtschaftliche Eigentümer (*beneficial owner*) der Wertpapiere eine US-Person ist (die "**Ausübungserklärung**", eine Vorlage ist unter <https://produkte.erstegroup.com/Retail/> verfügbar). Die Ausübungserklärung ist, vorbehaltlich § 8 der Emissionsbezogenen Bedingungen, unwiderruflich und bindend. Die in diesem Absatz verwendeten Bezeichnungen haben die Bedeutung, die ihnen in Regulation S gemäß dem United States Securities Act von 1933 in seiner jeweils gültigen Fassung beigelegt ist;
- (b) die Wertpapiere müssen bei der Zahlstelle durch Gutschrift der Wertpapiere auf das Konto der Zahlstelle bei dem Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) eingegangen sein.

#### § 5

Ausübungstag; Finaler Bewertungstag; Bankgeschäftstag; Laufzeit der Wertpapiere

- (1) "**Ausübungstag**" ist, vorbehaltlich der nachfolgenden Bestimmungen, der Bankgeschäftstag, an dem bis spätestens zur Ausübungszeit (§ 4 (1) der Emissionsbezogenen Bedingungen) sämtliche in § 4 (2) und (3) der Emissionsbezogenen Bedingungen genannten Bedingungen erfüllt sind. Falls

Business Day, or after the Exercise Time on a Business Day, the next following Business Day shall be deemed to be the Exercise Date, provided that this day falls into the Exercise Period.

- (2) "**Final Valuation Date**" is, subject to Section 8 of the Issue Specific Conditions, if the Underlying Price (Section 9 (2) of the Issue Specific Conditions) of the Underlying is determined usually on a Calculation Date after the Exercise Time, the Exercise Date or if the Exercise Date is not a Calculation Date (Section 9 (2) of the Issue Specific Conditions), the following Calculation Date or if the Underlying Price is determined usually on a Calculation Date prior to the Exercise Time, the Calculation Date (Section 9 (2) of the Issue Specific Conditions) immediately following the Exercise Date.
- (3) "**Business Day**" is, subject to the following rules and unless set forth otherwise in these Terms and Conditions, each day on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and][•] are open for business. In connection with payment transactions in accordance with Section 6 and Section 10 of the Issue Specific Conditions, "**Business Day**" is each day (except for Saturday and Sunday) on which [*if EUR is specified as Settlement Currency, insert: the TARGET2-System is open and*] the Clearing System (Section 2 (1) of the General Conditions) processes payments and on which banks in [Vienna][, ][and ][Frankfurt][, ][and ][London][, ][and ][•] are open for business]. [*If EUR is specified as Settlement Currency, insert: "TARGET2-System" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system or any system succeeding it.*]
- (4) The "**Term of the Securities**" begins on the First Settlement Date as specified in Table 1 in the Annex to the Issue Specific Conditions (the "**First Settlement Date**"). The end of the term is currently not certain and corresponds to, in respect to Securities that have not been exercised

diese Bedingungen an einem Tag, der kein Bankgeschäftstag ist, oder nach der Ausübungszeit an einem Bankgeschäftstag erfüllt sind, gilt der nächstfolgende Bankgeschäftstag als der Ausübungstag, vorausgesetzt, dass dieser Tag in die Ausübungsfrist fällt.

- (2) "**Finaler Bewertungstag**" ist, vorbehaltlich § 8 der Emissionsbezogenen Bedingungen, sofern die Kursreferenz (§ 9 (2) der Emissionsbezogenen Bedingungen) des Basiswerts üblicherweise an einem Berechnungstag nach der Ausübungszeit festgestellt wird, der Ausübungstag bzw., falls der Ausübungstag kein Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen) ist, der nächstfolgende Berechnungstag bzw., sofern die Kursreferenz des Basiswerts üblicherweise an einem Berechnungstag vor der Ausübungszeit festgestellt wird, der Berechnungstag (§ 9 (2) der Emissionsbezogenen Bedingungen), der unmittelbar auf den Ausübungstag folgt.
- (3) "**Bankgeschäftstag**" ist, vorbehaltlich der nachfolgenden Regelung und sofern nichts Abweichendes in diesen Zertifikatsbedingungen geregelt ist, jeder Tag, an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ •] für den Geschäftsverkehr geöffnet sind. Im Zusammenhang mit Zahlungsvorgängen gemäß § 6 und § 10 der Emissionsbezogenen Bedingungen ist "**Bankgeschäftstag**" jeder Tag (außer Samstag und Sonntag), an dem [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen: das TARGET2-System geöffnet ist und*] das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) Zahlungen abwickelt und an dem die Banken in [Wien][, ][und ][Frankfurt am Main][, ][und ][London][, ][und][ •] für den Geschäftsverkehr geöffnet sind]. [*sofern EUR als Auszahlungswährung festgelegt ist, einfügen: "TARGET2-System" bezeichnet das Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)-Zahlungssystem oder jedes Nachfolgesystem dazu.*]
- (4) Die "**Laufzeit der Wertpapiere**" beginnt am in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen genannten Ersten Valutatag (der "**Erste Valutatag**"). Das Laufzeitende steht gegenwärtig noch nicht fest und entspricht hinsichtlich noch nicht

yet, the Termination Date in accordance with Section 7 of the Issue Specific Conditions or Section 10 (1) of the Issue Specific Conditions or Section 5 of the General Conditions.

ausgeübter Wertpapiere, dem Kündigungstermin gemäß § 7 der Emissionsbezogenen Bedingungen bzw. § 10 (1) der Emissionsbezogenen Bedingungen bzw. § 5 der Allgemeinen Bedingungen.

Section 6  
Determination and Payments of the Cash Amount

§ 6  
Ermittlung und Zahlung des Auszahlungsbetrags

(1) Following the exercise of the Securities in accordance with Section 4 (3) of the Issue Specific Conditions as well as the determination of the Reference Price on the Calculation Date that corresponds to the relevant Final Valuation Date (Section 5 (2) of the Issue Specific Conditions), the Calculation Agent calculates any Cash Amount to be paid either based on the number of Securities actually delivered or based on the number of Securities specified in the Exercise Notice, depending on which number is lower. Section 4 (2) of the Issue Specific Conditions remains unaffected. The Cash Amount will where appropriate be commercially rounded to [two][●] decimal places. Any remaining surplus of delivered Securities is returned to the holder of the Security Rights of the Securities to be exercised at its cost and risk.

(1) Nach Ausübung der Wertpapiere gemäß § 4 (3) der Emissionsbezogenen Bedingungen sowie der Feststellung des Referenzpreises am Berechnungstag, der dem maßgeblichen Finalen Bewertungstag (§ 5 (2) der Emissionsbezogenen Bedingungen) entspricht, berechnet die Berechnungsstelle den gegebenenfalls zu zahlenden Auszahlungsbetrag entweder nach der Anzahl der tatsächlich gelieferten Wertpapiere oder nach der in der Ausübungserklärung genannten Anzahl von Wertpapieren, je nachdem, welche Zahl niedriger ist. § 4 (2) der Emissionsbezogenen Bedingungen bleibt unberührt. Der zu zahlende Auszahlungsbetrag wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet. Ein etwa verbleibender Überschuss bezüglich der gelieferten Wertpapiere wird an den Inhaber der auszuübenden Wertpapierrechte auf dessen Kosten und Gefahr zurückgewährt.

(2) Following (a) the exercise of the Securities in accordance with Section 4 (2) and (3) of the Issue Specific Conditions or (b) an early termination of the Securities by the Issuer in accordance with Section 7 of the Issue Specific Conditions or Section 10 of the Issue Specific Conditions or Section 5 of the General Conditions, the Issuer will cause the transfer of any Cash Amount or of the respective Termination Amount, as the case may be, to be claimed to the account of the holder of the exercised Securities specified in the Exercise Notice by the [fifth][●] Business Day after the Final Valuation Date (Section 5 (2) of the Issue Specific Conditions) or after the respective Termination Date (in each case the "**Repayment Date**"). In the case of an early termination of the Securities by the Issuer, the Issuer will cause the transfer of the Termination Amount to be claimed to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors

(2) Nach (a) der Ausübung der Wertpapiere gemäß § 4 (2) und (3) der Emissionsbezogenen Bedingungen oder (b) einer vorzeitigen Kündigung der Wertpapiere durch die Emittentin gemäß § 7 der Emissionsbezogenen Bedingungen oder § 10 der Emissionsbezogenen Bedingungen oder § 5 der Allgemeinen Bedingungen, wird die Emittentin bis zum [fünften][●] Bankgeschäftstag nach dem Finalen Bewertungstag (§ 5 (2) der Emissionsbezogenen Bedingungen) bzw. nach dem jeweiligen Kündigungstermin (für sich jeweils der "**Rückzahlungstag**") die Überweisung des gegebenenfalls zu beanspruchenden Auszahlungsbetrags bzw. des Kündigungsbetrags auf das in der Ausübungserklärung angegebene Konto des Inhabers der ausgeübten Wertpapiere veranlassen. Im Fall einer vorzeitigen Kündigung durch die Emittentin, wird die Emittentin die Überweisung des gegebenenfalls zu beanspruchenden Kündigungsbetrags an

of the Securities with the Clearing System, without requiring the fulfilment of the conditions set forth in Section 4 (2) and (3) of the Issue Specific Conditions. In the case of an extraordinary termination by the Issuer, the declaration referred to in Section 4 (3)(a)(iv) of the Issue Specific Conditions is deemed to be issued automatically.

- (3) All taxes, fees or other charges arising in connection with the exercise of Security Rights or with the payment of the Cash Amount or of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold any taxes, fees or other charges payable by the Security Holder, as aforesaid.

#### Section 7

##### Ordinary termination by the Issuer

The Issuer has the right to terminate the Securities at all times in their entirety, but not partially, during their term through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the calendar day on which the termination becomes effective (the "**Termination Date**") and subject to a termination notice period of at least [three (3)][●] month[s] (the "**Termination Notice Period**") prior to the respective Termination Date. The termination amount (the "**Termination Amount**") is calculated in the same manner as the Cash Amount (Section 2 of the Issue Specific Conditions). For purposes of calculating the Cash Amount in accordance with Section 2 of the Issue Specific Conditions, the Termination Date is deemed to be the Final Valuation Date in the sense of these Terms and Conditions. If this date should not be a Calculation Date, the next following Calculation Date is deemed to be the Final Valuation Date. The termination is irrevocable and must state the Termination Date.]

das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen, ohne dass es der Erfüllung der in § 4 (2) und (3) der Emissionsbezogenen Bedingungen genannten Bedingungen bedarf. Im Fall einer außerordentlichen Kündigung durch die Emittentin gilt die Erklärung nach § 4 (3)(a)(iv) der Emissionsbezogenen Bedingungen automatisch als abgegeben.

- (3) Alle im Zusammenhang mit der Ausübung von Wertpapierrechten bzw. mit der Zahlung des Auszahlungsbetrags bzw. des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

#### § 7

##### Ordentliche Kündigung durch die Emittentin

Die Emittentin ist jederzeit berechtigt, die Wertpapiere insgesamt, jedoch nicht teilweise, während ihrer Laufzeit durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des Kalendertags, zu dem die Kündigung wirksam wird (der "**Kündigungstermin**"), und unter Wahrung einer Kündigungsfrist von mindestens [drei (3)][●] Monat[en] vor dem jeweiligen Kündigungstermin (die "**Kündigungsfrist**") zu kündigen. Der Kündigungsbetrag (der "**Kündigungsbetrag**") wird auf dieselbe Weise berechnet wie der Auszahlungsbetrag (§ 2 der Emissionsbezogenen Bedingungen). Für die Zwecke der Berechnung des Auszahlungsbetrags gemäß § 2 der Emissionsbezogenen Bedingungen gilt der Kündigungstermin als Finaler Bewertungstag im Sinne dieser Zertifikatsbedingungen. Sollte dieser Tag kein Berechnungstag sein, so gilt der nächstfolgende Berechnungstag als Finaler Bewertungstag. Die Kündigung ist unwiderruflich und muss den Kündigungstermin benennen.]

## Part B. Underlying Specific Conditions

[in case of an index as underlying, insert:

### Section 8 Market Disruptions

- (1) If a Market Disruption Event (paragraph (2)) exists on the Final Valuation Date, then the Final Valuation Date will be postponed to the next following Calculation Date on which a Market Disruption Event no longer exists. If the Final Valuation Date has been postponed by [five (5)][●] consecutive Calculation Dates in accordance with the provisions of this paragraph and if a Market Disruption Event still exists on that [fifth][●] date, such date shall be deemed to be the Final Valuation Date and the Calculation Agent shall determine the Underlying Price in its reasonable discretion taking into account the market situation existing on the Final Valuation Date and announce it in accordance with Section 6 (Notices) of the General Conditions.
- (2) **"Market Disruption Event"** means
- (a) the suspension or restriction of trading on the exchanges or the markets where the Underlying components are listed or traded, in general; or
- (b) the suspension or restriction of trading (including the lending market) of individual Underlying components on the exchanges or the markets where these components are listed or traded, or in a futures or option contract in respect of the Underlying on a related exchange, where futures or option contracts in respect of the Underlying are traded (the **"Related Exchange"**); or
- (c) the suspension or non-calculation of the Underlying because of a decision of the Index Sponsor, if such suspension, restriction, or non-calculation occurs or exists [during the last half hour prior to the usually occurring calculation

[im Fall eines Index als Basiswert einfügen:

### § 8 Marktstörungen

- (1) Wenn an dem Finalen Bewertungstag ein Marktstörungsereignis (Absatz (2)) vorliegt, dann wird der Finale Bewertungstag auf den nächstfolgenden Berechnungstag, an dem kein Marktstörungsereignis mehr vorliegt, verschoben. Wenn der Finale Bewertungstag aufgrund der Bestimmungen dieses Absatzes um [fünf (5)][●] hintereinanderliegende Berechnungstage verschoben worden ist und auch an diesem [fünften][●] Tag das Marktstörungsereignis fortbesteht, dann gilt dieser Tag als der Finale Bewertungstag, wobei die Berechnungsstelle die Kursreferenz nach billigem Ermessen unter Berücksichtigung der an dem Finalen Bewertungstag herrschenden Marktgegebenheiten bestimmen und gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekanntmachen wird.
- (2) **"Marktstörungsereignis"** bedeutet
- (a) die Suspendierung oder Einschränkung des Handels an den Börsen bzw. den Märkten, an denen die dem Basiswert zugrunde liegenden Werte notiert bzw. gehandelt werden, allgemein; oder
- (b) die Suspendierung oder Einschränkung des Handels (einschließlich des Leihemarkts) einzelner dem Basiswert zugrunde liegender Werte an den Börsen bzw. den Märkten, an denen diese Werte notiert bzw. gehandelt werden, oder in einem Termin- oder Optionskontrakt in Bezug auf den Basiswert an einer Terminbörse, an der Termin- oder Optionskontrakte in Bezug auf den Basiswert gehandelt werden (die **"Maßgebliche Terminbörse"**); oder
- (c) die Suspendierung oder Nichtberechnung des Basiswerts aufgrund einer Entscheidung des Index-Sponsors, sofern diese Suspendierung, Einschränkung oder Nichtberechnung [in der letzten halben Stunde vor der

of the closing price of the Underlying or of the Underlying components] and if such suspension, restriction or non-calculation is material for the satisfaction of the obligations under the Securities in the reasonable discretion of the Calculation Agent. A restriction on the hours or number of days on which trading occurs is not considered a Market Disruption Event, if the restriction is due to a prior announcement relating to the change of the respective exchange.

üblicherweise zu erfolgenden Berechnung des Schlusskurses des Basiswerts bzw. der dem Basiswert zugrunde liegenden Werte] eintritt bzw. besteht und nach billigem Ermessen der Berechnungsstelle für die Erfüllung der Verpflichtungen aus den Wertpapieren wesentlich ist. Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörungsereignis, sofern die Einschränkung auf einer vorher angekündigten Änderung der betreffenden Börse beruht.

### Section 9

#### Underlying; Underlying Price; Successor Underlying; Adjustments

- (1) The "**Underlying**" corresponds to the Index specified as the Underlying in Table 2 in the Annex to the Issue Specific Conditions.
- (2) The "**Underlying Price**" corresponds to [the Official Closing Price][*insert other relevant Underlying Price: •*] of the Underlying expressed in the Reference Currency, as calculated and published on Calculation Dates by the Index Sponsor specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Index Sponsor**"). [The "**Observation Price**" of the Underlying corresponds to [the prices continuously calculated and published for the Underlying by the Index Sponsor on Calculation Dates [during the Calculation Hours]][*insert other relevant Observation Price: •*] expressed in the Reference Currency.] The "**Reference Currency**" corresponds to the Reference Currency specified in Table 2 in the Annex to the Issue Specific Conditions. "**Calculation Dates**" are dates on which the Underlying is calculated and published by the Index Sponsor. ["**Calculation Hours**" is the period during a Calculation Date,[ during which the Underlying is calculated and published by the Index Sponsor][during which the Index Sponsor usually determines prices for the Underlying].]
- (3) If the Underlying is no longer calculated and announced by the Index Sponsor, but by a different person, company, or institution, which the Calculation Agent in

### § 9

#### Basiswert; Kursreferenz; Nachfolgebasiswert; Anpassungen

- (1) Der "**Basiswert**" entspricht dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Basiswert angegebenen Index.
- (2) Die "**Kursreferenz**" entspricht [dem offiziellen Schlusskurs][*andere Kursreferenz einfügen: •*] des Basiswerts, ausgedrückt in der Referenzwährung, wie er an Berechnungstagen von dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Index-Sponsor (der "**Index-Sponsor**") berechnet und veröffentlicht wird. [Der "**Beobachtungskurs**" des Basiswerts entspricht [den vom Index-Sponsor an Berechnungstagen [während den Berechnungstunden] für den Basiswert fortlaufend berechneten und veröffentlichten Kursen][*anderen Beobachtungskurs einfügen: •*], ausgedrückt in der Referenzwährung.] "**Berechnungstage**" sind Tage, an denen der Basiswert vom Index-Sponsor berechnet und veröffentlicht wird. Die "**Referenzwährung**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung. ["**Berechnungstunden**" ist der Zeitraum innerhalb eines Berechnungstages,[ an denen der Basiswert vom Index-Sponsor berechnet und veröffentlicht wird] [in denen der Index-Sponsor üblicherweise Kurse für den Basiswert feststellt].]
- (3) Wird der Basiswert nicht mehr von dem Index-Sponsor, sondern von einer anderen Person, Gesellschaft oder Institution, die die Berechnungsstelle nach

its reasonable discretion considers acceptable (the "**Successor Index Sponsor**"), the Cash Amount will be calculated based on the Underlying Price calculated and published by the Successor Index Sponsor. Furthermore, each reference to the Index Sponsor in these Conditions is deemed, if the context so permits, to be a reference to the Successor Index Sponsor.

(4) Modifications in the calculation of the Underlying (including adjustments) or to the composition or weighting of the prices or Securities, based on which the Underlying is calculated, shall not result in an Adjustment of the Securities Right, unless, as a result of any such modification, the relevant modified concept and the calculation of the Underlying, as the case may be, are no longer comparable to the previously relevant concept or the relevant calculation of the Underlying in the reasonable discretion of the Calculation Agent. This applies in particular if, due to any such modification and notwithstanding constant prices of the individual components comprised in the Underlying and their weighting, a material change occurs to the index value. An Adjustment of the Securities Right may also occur in the case of a cancellation of the Underlying and/or its replacement with another index. The Calculation Agent shall in such circumstances adjust the Securities Right in its reasonable discretion, taking into account the remaining term of the Securities and the last determined price of the Underlying, with the goal of preserving the economic value of the Securities, and determine the date, taking into account the time of such replacement, on which the adjusted Securities Right is to be effective. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

(5) If the Underlying is cancelled and/or replaced with another index at any time, the Calculation Agent shall determine in its reasonable discretion, if necessary by adjusting the Securities Right pursuant to paragraph (4) accordingly, which index shall be used as the basis for the

billigem Ermessen für geeignet hält (der "**Nachfolge-Index Sponsor**") berechnet und veröffentlicht, so wird der Auszahlungsbetrag auf der Grundlage der von dem Nachfolge-Index Sponsor berechneten und veröffentlichten Kursreferenz berechnet. Ferner gilt dann jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Index-Sponsor, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Nachfolge-Index Sponsor.

(4) Veränderungen in der Berechnung des Basiswerts (einschließlich Bereinigungen) oder der Zusammensetzung oder Gewichtung der Kurse oder Wertpapiere, auf deren Grundlage der Basiswert berechnet wird, führen nicht zu einer Anpassung des Wertpapierrechts, es sei denn, dass das neue maßgebende Konzept und die Berechnung des Basiswerts infolge einer Veränderung (einschließlich einer Bereinigung) nach billigem Ermessen der Berechnungsstelle nicht mehr vergleichbar ist mit dem bisher maßgebenden Konzept oder der maßgebenden Berechnung des Basiswerts. Dies gilt insbesondere, wenn sich aufgrund irgendeiner Änderung trotz gleichbleibender Kurse der in dem Basiswert enthaltenen Einzelwerte und ihrer Gewichtung eine wesentliche Änderung des Indexwerts ergibt. Eine Anpassung des Wertpapierrechts kann auch bei Aufhebung des Basiswerts und/oder seiner Ersetzung durch einen anderen Index erfolgen. Die Berechnungsstelle passt das Wertpapierrecht nach billigem Ermessen unter Berücksichtigung der Restlaufzeit der Wertpapiere und des zuletzt ermittelten Kurses mit dem Ziel an, den wirtschaftlichen Wert der Wertpapiere zu erhalten, und bestimmt unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(5) Wird der Basiswert zu irgendeiner Zeit aufgehoben und/oder durch einen anderen Index ersetzt, legt die Berechnungsstelle nach billigem Ermessen, gegebenenfalls unter entsprechender Anpassung des Wertpapierrechts gemäß Absatz (4), fest,



Securities Right in the future (the "**Successor Underlying**"). The Successor Underlying, as well as the time of its first application, will be published in accordance with Section 6 (Notices) of the General Conditions. Each reference contained in these Conditions to the Underlying will, from the date and time of any such adjustment, be deemed to be a reference to the Successor Underlying, if the context permits.

(6) In the case of modifications to the way in which the Reference Price or other rates or prices relevant for the Underlying are calculated pursuant to these Terms and Conditions, including a modification of the Calculation Dates and Calculation Hours relevant for the Underlying and including a subsequent correction of the Underlying by the Index Sponsor, the Calculation Agent is entitled, in such cases, to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines the date, taking into account the time of any such modification, when the adjusted Securities Right is to become effective. The adjusted Securities Right, as well as the time of its first application, will be published in accordance with Section 6 (Notices) of the General Conditions.

(7) If, in the reasonable discretion of the Calculation Agent, an Adjustment of the Securities Right or the determination of a Successor Underlying, is not possible for any reasons whatsoever, the Calculation Agent or the Issuer, or an expert appointed by the Calculation Agent or the Issuer, must, subject to a termination of the Securities in accordance with Section 10 of the Issue Specific Conditions, ensure that the calculation and publication of the Underlying is continued based on the previous index concept and on the last determined index value. Any such continuation will be announced in accordance with Section 6 (Notices) of the General Conditions.

(8) An "**Adjustment of the Securities Right**" as described in the foregoing includes in particular an adjustment [of the Strike] [or] [of the Multiplier] [or] [of the Barrier] [or] [the Stop-Loss Barrier]

welcher Index künftig für das Wertpapierrecht zugrunde zu legen ist (der "**Nachfolgebasiswert**"). Der Nachfolgebasiswert sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht. Jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Basiswert gilt dann, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Nachfolgebasiswert.

(6) Veränderungen in der Art und Weise der Berechnung des Referenzpreises bzw. anderer gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den Basiswert, einschließlich der Veränderung der für den Basiswert maßgeblichen Berechnungstage und Berechnungstage und Berechnungstage sowie einschließlich einer nachträglichen Korrektur des Basiswerts durch den Index-Sponsor berechnen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunktes der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(7) Ist nach billigem Ermessen der Berechnungsstelle eine Anpassung des Wertpapierrechts oder die Festlegung eines Nachfolgebasiswerts, aus welchen Gründen auch immer, nicht möglich, wird die Berechnungsstelle bzw. die Emittentin oder ein von der Berechnungsstelle oder der Emittentin bestellter Sachverständiger, vorbehaltlich einer Kündigung der Wertpapiere nach § 10 der Emissionsbezogenen Bedingungen, für die Weiterrechnung und Veröffentlichung des Basiswerts auf der Grundlage des bisherigen Indexkonzepts und des letzten festgestellten Indexwerts Sorge tragen. Eine derartige Fortführung wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(8) Eine "**Anpassung des Wertpapierrechts**" im Sinne der vorgenannten Absätze umfasst insbesondere eine Anpassung [des Basispreises] [bzw.] [des Bezugsverhältnisses] [bzw.] [der Barriere]

[or] [of the Cap] [or] [of the Reverse Level] [or] [of the Bonus Level].

[bzw.] [der Stop-Loss Barriere] [bzw.] [dem Cap] [bzw.] [dem Reverselevel] [bzw.] [dem Bonuslevel].

Section 10  
Extraordinary Termination

(1) If, in the reasonable discretion of the Calculation Agent, an adjustment of the Securities Right or the determination of a Successor Underlying or of a Successor Index Sponsor is not possible for any reasons whatsoever, or if an Additional Disruption Event (paragraph (4)) has occurred, the Issuer has the right to terminate the Securities extraordinarily by means of an announcement in accordance with Section 6 (Notices) of the General Conditions. Any such announcement shall set out the Termination Amount (as defined below). Any such termination as aforesaid becomes effective on the day of the publication of the relevant announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). Such termination must occur within one month from the date on which the event that caused the Securities Right to have to be adjusted or a Successor Underlying or a Successor Index Sponsor to have to be determined in accordance with these Terms and Conditions. In the case of a termination, the Issuer pays to each Security Holder an amount in respect to each Security held by it (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as the fair market price of a Security immediately prior to the occurrence of the event which causes the Securities Right to have to be adjusted or a Successor Underlying or a Successor Index Sponsor having to be determined in accordance with these Terms and Conditions[, taking into account the remaining time value]. When determining the Termination Amount, the Calculation Agent may, *inter alia*, also take the probability of default of the Issuer based on the credit spreads quoted on the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account.

(2) The Issuer will cause the transfer of the

§ 10  
Außerordentliche Kündigung

(1) Ist nach billigem Ermessen der Berechnungsstelle eine Anpassung des Wertpapierrechts oder die Festlegung eines Nachfolgewerts bzw. eines Nachfolge-Index Sponsors, aus welchen Gründen auch immer, nicht möglich oder liegt ein Weiteres Störungsereignis (Absatz (4)) vor, so ist die Emittentin berechtigt, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Kündigung hat innerhalb von einem Monat nach Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Nachfolgewert bzw. ein Nachfolge-Index Sponsor festgelegt werden muss, zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Nachfolgewert bzw. ein Nachfolge-Index Sponsor festgelegt werden muss, [unter Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann die Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen.

(2) Die Emittentin wird bis zu dem

Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration set out in Section 6 (2) of the Issue Specific Conditions is deemed to be issued automatically.

(3) All taxes, fees, or other charges arising in connection with the payment of the Termination Amounts shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees or charges, which are payable by the Security Holder, as aforesaid

(4) An "**Additional Disruption Event**" exists if

(a) the Calculation Agent determines that (i) due to the adoption or amendment of applicable laws or directives (including tax laws) after the Issue Date, or (ii) due to the promulgation or change of the interpretation of applicable laws or directives after the Issue Date by the competent courts, arbitration panels, or regulatory agencies (including measures by tax authorities), (x) it has become or will become illegal or impracticable for it to hold, acquire, or dispose of the components of the Underlying, or (y) it has incurred or will incur significantly higher direct or indirect costs during the fulfilment of its obligations under the Securities or related hedging measures (for example, due to an increased tax liability, lower tax benefits, or other negative effects on the tax situation of the Issuer); or

(b) the Calculation Agent determines

[fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung gemäß Absatz (1) gilt die in [§ 6 (2)][§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.

(3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.

(4) Ein "**Weiteres Störungsereignis**" liegt vor, wenn

(a) die Berechnungsstelle feststellt, dass (i) aufgrund der am oder nach dem Emissionstag erfolgten Verabschiedung oder Änderung von anwendbaren Gesetzen oder Verordnungen (einschließlich von Steuergesetzen), oder (ii) aufgrund der am oder nach dem Emissionstag erfolgten Verkündung oder der Änderung der Auslegung von anwendbaren Gesetzen oder Verordnungen durch die zuständigen Gerichte, Schiedsstellen oder Aufsichtsbehörden (einschließlich Maßnahmen von Steuerbehörden), (x) es für sie rechtswidrig oder undurchführbar geworden ist oder werden wird, die Bestandteile des Basiswerts zu halten, zu erwerben oder zu veräußern oder (y) ihr wesentlich höhere direkte oder indirekte Kosten bei der Erfüllung ihrer Verpflichtungen aus den Wertpapieren bzw. verbundener Absicherungsmaßnahmen (beispielsweise aufgrund einer erhöhten Steuerpflicht, geringerer Steuervorteile oder anderer negativer Auswirkungen auf die Steuersituation der Emittentin) entstanden sind oder entstehen werden; oder

(b) die Berechnungsstelle feststellt,

that it is unable, even after making economically reasonable efforts, (i) to enter into, maintain, or close down transactions, which it considers necessary in order to hedge its risk from the assumption and fulfilment of its obligations under the Securities, or (ii) to realize or forward the proceeds of these transactions; or

- (c) the Calculation Agent determines that it has incurred or will incur significantly higher taxes, dues, expenses, or fees (however, no brokerage fees), in order to (i) to enter into, maintain, or close down transactions, which it considers necessary in order to hedge its risk from the assumption and fulfilment of its obligations under the Securities, or (ii) to realize or forward the proceeds of these transactions, and such expenses may also include increased borrowing costs resulting from the illiquidity of an Underlying, which had previously been sold short.]

dass sie auch nach Aufwendung zumutbarer wirtschaftlicher Bemühungen nicht in der Lage ist, (i) Geschäfte abzuschließen, beizubehalten oder aufzulösen, die sie als notwendig erachtet, um ihr Risiko aus der Übernahme und Erfüllung ihrer Verpflichtungen aus den Wertpapieren abzusichern, oder (ii) die Erlöse dieser Geschäfte zu realisieren oder weiterzuleiten; oder

- (c) die Berechnungsstelle feststellt, dass ihr wesentlich höhere Steuern, Abgaben, Aufwendungen oder Gebühren (jedoch keine Vermittlungsgebühren) entstanden sind oder entstehen werden, um (i) Geschäfte abzuschließen, beizubehalten oder aufzulösen, die die Emittentin für notwendig erachtet, um ihr Risiko der Übernahme und Erfüllung ihrer Verpflichtungen aus den Wertpapieren abzusichern oder (ii) die Erlöse dieser Geschäfte zu realisieren oder weiterzuleiten, wobei solche Aufwendungen auch erhöhte Leihgebühren sein können, die sich aus der Angebotsknappheit eines Basiswerts, der zuvor leer verkauft worden ist, ergeben.]

[in case of shares as underlying or basket constituent, insert:

Section 8  
Market Disruptions

(1) If a Market Disruption Event (paragraph (2)) exists on the Final Valuation Date, then [in relation to [the relevant] [all] Basket Constituent(s)] the Final Valuation Date will be postponed to the next following Calculation Date, on which a Market Disruption Event no longer exists. If the Final Valuation Date has been postponed by [five (5)][●] consecutive Calculation Dates in accordance with the provisions of this paragraph [in relation to [the relevant] [all] Basket Constituent(s)] and if a Market Disruption Event still exists on that [fifth][●] date, such date shall be deemed to be the Final Valuation Date [in relation to [the relevant] [all] Basket Constituent(s)], and the Calculation Agent shall determine the [relevant] Underlying Price [of the relevant Basket Constituent(s)] in its reasonable discretion taking into account the market situation existing on the Final Valuation Date and announce it in accordance with Section 6 (Notices) of the General Conditions.

(2) **"Market Disruption Event"** means the suspension or restriction

- (i) of trading on the [relevant] Reference Market in general; or
- (ii) of trading in the [Underlying] [one or more Basket Constituent(s)] on the [relevant] Reference Market; or
- (iii) of trading in an option or futures contract in respect to [the Underlying] [one or more Basket Constituent(s)] on a related exchange, on which futures or option contracts in respect to [the Underlying][the relevant Basket Constituent] are traded (the **"Related Exchange"**),

if such suspension or restriction occurs or exists during the last half hour prior to the usually occurring calculation of the closing price of [the Underlying][relevant Basket Constituent] and if it is material for

[im Fall von Aktien als Basiswert oder Korbbestandteil einfügen:

§ 8  
Marktstörungen

(1) Wenn an dem Finalen Bewertungstag ein Marktstörungsereignis (Absatz (2)) vorliegt, dann wird [in Bezug auf [den oder die betroffenen][alle] Korbbestandteile] der Finale Bewertungstag auf den nächstfolgenden Berechnungstag, an dem kein Marktstörungsereignis mehr vorliegt, verschoben. Wenn der Finale Bewertungstag aufgrund der Bestimmungen dieses Absatzes [in Bezug auf [den oder die betroffenen][alle] Korbbestandteile] um [fünf (5)][●] hintereinanderliegende Berechnungstage verschoben worden ist und auch an diesem [fünften][●] Tag das Marktstörungsereignis fortbesteht, dann gilt dieser Tag als der Finale Bewertungstag [in Bezug auf [den oder die betroffenen][alle] Korbbestandteile], wobei die Berechnungsstelle die [relevante] Kursreferenz [des oder der betroffenen Korbbestandteile] nach billigem Ermessen unter Berücksichtigung der an dem Finalen Bewertungstag herrschenden Marktgegebenheiten bestimmen und gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekanntmachen wird.

(2) **"Marktstörungsereignis"** bedeutet die Suspendierung oder Einschränkung

- (i) des Handels an dem [jeweiligen] Referenzmarkt allgemein; oder
- (ii) des Handels in [dem Basiswert] [einem oder mehreren Korbbestandteilen] an dem [jeweiligen] Referenzmarkt; oder
- (iii) des Handels in einem Options- oder Terminkontrakt in Bezug auf [den Basiswert] [einen oder mehrere Korbbestandteile] an einer Terminbörse, an der Termin- oder Optionskontrakte in Bezug auf den [Basiswert][jeweiligen Korbbestandteil] gehandelt werden (die **"Terminbörse"**),

sofern diese Suspendierung oder Einschränkung in der letzten halben Stunde vor der üblicherweise zu erfolgenden Berechnung des Schlusskurses des

the fulfilment of the obligations under the Securities according to the reasonable discretion of the Calculation Agent. A restriction of the hours or number of days on which trading occurs is not considered a Market Disruption Event, if the restriction is due to a change of the relevant Reference Market that is announced in advance.

[Basiswerts][jeweiligen Korbbestandteils] eintritt bzw. besteht und nach billigem Ermessen der Berechnungsstelle für die Erfüllung der Verpflichtungen aus den Wertpapieren wesentlich ist. Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörungsereignis, sofern die Einschränkung auf einer vorher angekündigten Änderung des betreffenden Referenzmarktes beruht.

#### Section 9

##### Underlying; Underlying Price; Substitute Share; Substitute Reference Market; Adjustments

- (1) The "**Underlying**" corresponds [to the Share specified in Table 2 in the Annex to the Issue Specific Conditions as Underlying of the company specified in Table 2 in the Annex to the Issue Specific Conditions as Underlying (the "**Company**").][to the basket of shares specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Basket**") consisting of the Basket Constituents specified in Table 2 in the Annex to the Issue Specific Conditions. "**Basket Constituent**" corresponds to the relevant Share of the relevant Company as Basket Constituent, both as specified in Table 2 in the Annex to the Issue Specific Conditions.]
- (2) The "**Underlying Price**" corresponds to [[the Official Closing Price][*insert other relevant Underlying Price: ●*] of the Underlying][the Underlying Price specified in Table 2 in the Annex to the Issue Specific Conditions] expressed in the Reference Currency][the sum of the [closing prices] [*insert other price: ●*] as calculated and published on the relevant Reference Market for the relevant Basket Constituent[, multiplied [where relevant] [in each case] by the [Initial] Weighting Factor] [the number of Shares], allocated to the respective Basket Constituent as specified in Table 2 in the Annex to the Issue Specific Conditions], expressed in the Reference Currency as calculated and published on Calculation Dates [on the Reference Market specified in Table 2 in the Annex to the Issue Specific Conditions [for the relevant Basket Constituent] (the "**Reference Market**")]

#### § 9

##### Basiswert; Kursreferenz; Ersatzaktie; Ersatzreferenzmarkt; Anpassungen

- (1) Der "**Basiswert**" entspricht [der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Basiswert angegebenen Aktie der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Gesellschaft (die "**Gesellschaft**").][dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen dargestellten Korb von Aktien (der "**Korb**") bestehend aus den in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Korbbestandteilen. "**Korbbestandteil**" entspricht jeweils der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Korbbestandteil angegebenen Aktie der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen jeweiligen Gesellschaft.]
- (2) Die "**Kursreferenz**" entspricht [[dem offiziellen Schlusskurs][*andere Kursreferenz einfügen: ●*] des Basiswerts] [der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Kursreferenz] [der Summe der an dem jeweiligen Referenzmarkt für den jeweiligen Korbbestandteil berechneten und veröffentlichten [Schlusskurse] [*anderen Kurs einfügen: ●*]], [gegebenenfalls] [jeweils] multipliziert mit [dem [Anfänglichen] Gewichtungsfaktor][der Anzahl Aktien][, [der][die] dem jeweiligen Korbbestandteil in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen zugewiesen ist], ausgedrückt in der Referenzwährung, wie [er][sie] an Berechnungstagen [an dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen [für den jeweiligen Korbbestandteil]

[by the Calculation Agent]. [The "**Observation Price**" of the Underlying corresponds to [the prices continuously calculated and published at the Reference Market on Calculation Dates for this Share [during the Calculation Hours]] [the sum of the prices as calculated and published on the relevant Reference Market for the relevant Basket Constituent [during the Calculation Hours][at [●] a.m. (local time [●])], multiplied [where relevant] [in each case] by the [Initial] [Weighting Factor] [the Relevant Number of Shares], allocated to the respective Basket Constituent as specified in Table 2 in the Annex to the Issue Specific Conditions] expressed in the Reference Currency.][*insert other relevant Observation Price: ●*] The "**Reference Currency**" corresponds to the Reference Currency specified in Table 2 in the Annex to the Issue Specific Conditions. The "**Reference Currency for the relevant Basket Constituent**" corresponds to the Reference Currency for the relevant Basket Constituent as specified in Table 2 in the Annex to the Issue Specific Conditions. [If the Reference Currency for the relevant Basket Constituent does not correspond to the Reference Currency of the Underlying, the Reference Currency for the relevant Basket Constituent is converted into the Reference Currency of the Underlying by the Calculation Agent based on the exchange rate expressed in the Reference Currency for the relevant Basket Constituent for one unit of the Reference Currency of the Underlying, which is shown on the relevant Calculation Date on the Exchange Rate Screen Page as specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Exchange Rate Screen Page for the relevant Basket Constituent**") or any page replacing it. If the conversion occurs at a time when the Exchange Rate Screen Page for the relevant Basket Constituent should not be available on the stated date or if the exchange rate is not shown, the exchange rate shall correspond to the exchange rate shown on the corresponding page of another financial information service. If the exchange rate should not or no longer be shown in any of the above ways, the Calculation Agent has the right to determine in its reasonable discretion an exchange rate determined based on the then applicable market conditions, taking into account the

angegebenen Referenzmarkt (der "**Referenzmarkt**")][von der Berechnungsstelle] berechnet und veröffentlicht wird. [Der "**Beobachtungskurs**" des Basiswerts entspricht [den an dem Referenzmarkt an Berechnungstagen [während der Berechnungsstunden] für diese Aktie fortlaufend berechneten und veröffentlichten Kursen] [der Summe der an dem jeweiligen Referenzmarkt an Berechnungstagen für den jeweiligen Korbbestandteil [während der Berechnungsstunden] [um [●] Uhr (Ortszeit [●])] berechneten und veröffentlichten Kurse[, [gegebenenfalls] [jeweils] multipliziert mit [dem [Anfänglichen] Gewichtungsfaktor][der Maßgeblichen Anzahl Aktien], [der][die] dem jeweiligen Korbbestandteil in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen zugewiesen ist], ausgedrückt in der Referenzwährung.][*anderen Beobachtungskurs einfügen: ●*] Die "**Referenzwährung**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung. [Die "**Referenzwährung für den jeweiligen Korbbestandteil**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen für den jeweiligen Korbbestandteil angegebenen Referenzwährung. [Sofern die Referenzwährung für den jeweiligen Korbbestandteil nicht der Referenzwährung des Basiswerts entspricht, wird die Referenzwährung für den jeweiligen Korbbestandteil von der Berechnungsstelle basierend auf dem Wechselkurs der Referenzwährung für den jeweiligen Korbbestandteil für eine Einheit der Referenzwährung des Basiswerts, wie am jeweiligen Berechnungstag auf der in Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Wechselkurs-Bildschirmseite (die "**Wechselkurs-Bildschirmseite für den jeweiligen Korbbestandteil**"), oder einer diese ersetzende Seite, angezeigt, in die Referenzwährung des Basiswerts umgerechnet. Sollte die Umrechnung zu einem Zeitpunkt erfolgen, zu dem die Wechselkurs-Bildschirmseite für den jeweiligen Korbbestandteil an dem angegebenen Tag nicht zur Verfügung steht oder der Wechselkurs nicht angezeigt wird, entspricht der Wechselkurs dem Wechselkurs, wie er auf

then existing market situation, as the exchange rate.] *[insert other Reference Currency for the relevant Basket Constituent: •]* [Initially, the "**Relevant Number of Shares**" is the Relevant Number of Shares for the relevant Basket Constituent as specified in Table 2 in the Annex to the Issue Specific Conditions, which was determined by the Calculation Agent on the Initial Reference Date (Section 4 (1) of the Issue Specific Conditions) based on the relevant Initial Reference Price and the [Initial] Weighting Factor of the relevant Basket Constituent on the Initial Value of the Basket [(the result of these calculation rounded [up] [down] to [four][•] decimal places)]. The "**Initial Value of the Basket**" corresponds to the Initial Value of the Basket as specified in Table 1 in the Annex to the Issue Specific Conditions. If ordinary dividend payments are made between the Initial Reference Date (excluding) and the Final Valuation Date (excluding) relating to a Basket Constituent, the Number of Shares for this Basket Constituent will be adjusted by the Dividend Adjustment Factor on the Dividend Record Date. A "**Dividend Record Date**" is a day on which shares of the relevant company for which dividends or cash amounts equivalent to dividends are to be distributed are traded "ex dividend" on their relevant primary exchange. The Relevant Number of Shares will be rounded [up][down] to [four][•] decimal places, as the case may be. The "**[Initial] Weighting Factor**" of the Basket Constituent is specified in Table 2 in the Annex to the Issue Specific Conditions. The "**Dividend Amount**" corresponds to the net dividend (i.e. the dividend amount less taxes) (converted into the Reference Currency for the relevant Basket Constituent, as the case may be) multiplied with the Dividend Reinvestment Factor. The "**Dividend Reinvestment Factor**" corresponds to the value of the Dividend Reinvestment Factor specified in Table 1 in the Annex. The "**Dividend Adjustment Factor**" or "**DAF**" reflects the relation between the closing price of the relevant Basket Constituent cum dividend and the closing price of the relevant Basket Constituent cum dividend adjusted by the Dividend Amount. The Dividend Adjustment Factor is calculated according to the following formula:

$$DAF = SK / (SK - \text{Dividend Amount}),$$

der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte der Wechselkurs nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Wechselkurs einen auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelten Wechselkurs festzulegen.] *[andere Referenzwährung für den jeweiligen Korbbestandteil einfügen: •]* [Die "**Maßgebliche Anzahl Aktien**" ist anfänglich jeweils die in der Tabelle 2 im Annex zu den Emissionsbezogenen Bedingungen angegebene für den jeweiligen Korbbestandteil angegebene Maßgebliche Anzahl Aktien, die am Anfänglichen Referenztag (§ 4 (1) der Emissionsbezogenen Bedingungen) von der Berechnungsstelle auf der Grundlage des jeweiligen Anfänglichen Referenzpreises und dem [Anfänglichen] Gewichtungsfaktor des jeweiligen Korbbestandteils am Anfangswert des Korbs festgelegt wurde [(das Ergebnis dieser Berechnung [aufgerundet][abgerundet] auf [vier][•] Nachkommastellen)]. Der "**Anfangswert des Korbs**" entspricht dem in der Tabelle 1 im Annex zu den Emissionsbezogenen Bedingungen angegebenen Anfangswert des Korbs. Sofern zwischen dem Anfänglichen Referenztag (ausschließlich) und dem Finalen Bewertungstag (ausschließlich) ordentliche Dividendenzahlungen im Hinblick auf einen Korbbestandteil erfolgen, wird die Anzahl Aktien für diesen Korbbestandteil am Dividendentag um den Dividendenanpassungsfaktor angepasst wird. Ein "**Dividendentag**" ist ein Tag, an dem Aktien des betreffenden Unternehmens, auf die Dividenden bzw. Dividenden gleichstehende Barbeträge ausgeschüttet werden sollen, an ihrer entsprechenden Heimatbörse "ex Dividende" gehandelt werden. Die Maßgebliche Anzahl Aktien wird gegebenenfalls auf [vier][•] Nachkommastellen [aufgerundet][abgerundet]. Der "**[Anfängliche] Gewichtungsfaktor**" des Korbbestandteils ist jeweils in der Tabelle 2 im Annex zu den Emissionsbezogenen Bedingungen angegeben. Der "**Dividendenbetrag**" entspricht der (gegebenenfalls in die Referenzwährung für diesen



Whereby "SK" corresponds to the closing price of the Basket Constituent cum dividend.] "**Calculation Dates**" are days on which [the Underlying][[the][all] Basket Constituents] [is][are] usually traded on the [relevant] Reference Market. ["**Calculation Hours**" is the period during a Calculation Date, during which [the Underlying] [the][all] Basket Constituents] [is][are] usually traded on the [relevant] Reference Market.]

Korbbestandteil umgerechneten Nettodividende (d.h. der Dividendenbetrag abzüglich Steuern) multipliziert mit dem Dividenden-Reinvestitionsfaktor. Der "**Dividenden-Reinvestitionsfaktor**" entspricht dem in Tabelle 1 im Annex angegebenen Wert für den Dividenden-Reinvestitionsfaktor. Der "**Dividendenanpassungsfaktor**" oder "**DAF**" spiegelt das Verhältnis zwischen dem Schlusskurs des jeweiligen Korbbestandteils Cum Dividende und dem um den Dividendenbetrag bereinigten Schlusskurs des Korbbestandteils Cum Dividende wider. Der Dividendenanpassungsfaktor wird entsprechend nach der folgenden Formel berechnet:

$$\text{DAF} = \text{SK} / (\text{SK} - \text{Dividendenbetrag}),$$

wobei "**SK**" dem Schlusskurs des Korbbestandteils Cum Dividende entspricht.] "**Berechnungstage**" sind Tage, an denen [der Basiswert][[die][alle] Korbbestandteile] an dem [jeweiligen] Referenzmarkt üblicherweise gehandelt [wird][werden]. ["**Berechnungsstunden**" ist der Zeitraum innerhalb eines Berechnungstages, an denen [der Basiswert] ][die][alle] Korbbestandteile] an dem [jeweiligen] Referenzmarkt üblicherweise gehandelt [wird][werden].]

- (3) If [the][a] Company [which has issued a Share constituting a Basket Constituent] announces a Potential Adjustment Event (paragraph (4)), the Calculation Agent shall ascertain, at its discretion, whether the Potential Adjustment Event has a dilutory or appreciatory impact on the theoretical value of the Share of the [relevant] Company. If the Calculation Agent reasons that such an impact exists, it shall be entitled to make adjustments as it deems appropriate, exercising its discretion, in order to account for such impact, whereby no adjustment shall be made merely in order to account for changes in volatility, expected dividends, interest rates or the liquidity of the Share. The Calculation Agent shall be entitled, but not obliged, to use the procedure followed on an exchange on which the options for the Share are traded as a guideline for the adjustment.
- (4) The following circumstances are "**Potential Adjustment Events**":

- (3) Gibt [die][eine] Gesellschaft[, welche eine Korbbestandteil bildende Aktie begeben hat,] einen Potentiellen Anpassungsgrund (Absatz (4)) bekannt, prüft die Berechnungsstelle nach billigem Ermessen, ob der Potentielle Anpassungsgrund einen verwässernden oder werterhöhenden Einfluss auf den theoretischen Wert der Aktie der [jeweiligen] Gesellschaft hat. Kommt die Berechnungsstelle zu dem Ergebnis, dass ein solcher Einfluss vorliegt, ist sie berechtigt, Anpassungen vorzunehmen, die ihr nach billigem Ermessen angemessen erscheinen, um diesen Einfluss zu berücksichtigen, wobei jedoch keine Anpassung erfolgt, nur um Änderungen in der Volatilität, erwarteten Dividenden, Zinssätzen oder der Liquidität der Aktie Rechnung zu tragen. Hierbei ist die Berechnungsstelle berechtigt, jedoch nicht verpflichtet, die Vorgehensweise einer Börse, an der Optionen auf die Aktie gehandelt werden, für die Anpassung als Richtlinie zu verwenden.
- (4) Folgende Umstände sind ein "**Potentieller Anpassungsgrund**":

- |  |  |
|--|--|
| <p>(i) a division, combination or type change of the Shares (as far as no merger occurs), an allotment of Shares or the distribution of a dividend in the form of Shares to shareholders by means of a bonus, bonus shares, capital increase from company funds or the like;</p>   | <p>(i) eine Teilung, Zusammenlegung oder Gattungsänderung der Aktien (soweit keine Verschmelzung vorliegt), eine Zuteilung von Aktien oder eine Ausschüttung einer Dividende in Form von Aktien an die Aktionäre mittels Bonus, Gratisaktien, aufgrund einer Kapitalerhöhung aus Gesellschaftsmitteln oder ähnlichem;</p>  |
| <p>(ii) an allotment or a dividend to the Company's shareholders in the form of (a) Shares or (b) other shares or securities which give the beneficiary, in the same scope as a shareholder, a right to receive a dividend and/or liquidation proceeds or (c) shares or other securities of another company which is acquired or held by the Company, directly or indirectly, due to a split, spinoff or similar transaction, or (d) other securities, rights, warrants or assets which are provided for (cash or other) consideration lower than the current market price (determined by the Calculation Agent at its reasonable discretion);</p> | <p>(ii) eine Zuteilung oder Dividende an die Aktionäre der Gesellschaft in Form von (a) Aktien oder (b) sonstigen Aktien oder Wertpapieren, die dem Berechtigten in gleichem Umfang oder anteilmäßig wie einem Aktionär ein Recht auf Zahlung einer Dividende und/oder des Liquidationserlöses gewähren oder (c) Aktien oder sonstigen Wertpapieren eines anderen Unternehmens, die von der Gesellschaft aufgrund einer Abspaltung, Ausgliederung oder einer ähnlichen Transaktion unmittelbar oder mittelbar erworben wurden oder gehalten werden oder (d) sonstigen Wertpapieren, Rechten, Optionsscheinen oder Vermögenswerten, die jeweils für eine unter dem (nach billigem Ermessen der Berechnungsstelle festgestellten) aktuellen Marktpreis liegende Gegenleistung (Geld oder sonstiges) erbracht wird;</p> |
| <p>(iii) an extraordinary dividend;</p>  | <p>(iii) eine außerordentliche Dividende;</p>  |
| <p>(iv) a call for payment on Shares which are not fully paid-in;</p>  | <p>(iv) eine Einzahlungsaufforderung für nicht voll einbezahlte Aktien;</p>  |
| <p>(v) a buyback of Shares by the Company or its subsidiaries, regardless of whether the buyback is executed using earning or capital reserves or whether the purchase price is paid in cash, in the form of securities or in another manner;</p>  | <p>(v) ein Rückkauf der Aktien durch die Gesellschaft oder ihre Tochtergesellschaften, ungeachtet ob der Rückkauf aus Gewinn oder Kapitalrücklagen erfolgt oder der Kaufpreis in bar, in Form von Wertpapieren oder auf sonstige Weise entrichtet wird;</p>  |
| <p>(vi) the occurrence of an event relating to the Company which leads to the distribution of shareholder rights or the separation of shareholder rights from shares in the Company based on a shareholder rights plan or an arrangement against</p>   | <p>(vi) der Eintritt eines Ereignisses bezüglich der Gesellschaft, das dazu führt, dass Aktionärsrechte ausgegeben oder von Aktien der Gesellschaft abgetrennt werden aufgrund eines Aktionärsrechteplans oder eines Arrangements gegen feindliche</p>   |

hostile takeovers calling, in certain cases, for the distribution of preferred shares, warrants, bonds or share subscription rights at prices below market value (determined by the Calculation Agent at its reasonable discretion), whereby each adjustment which is made based on such an event shall be reversed once such rights are rescinded; or

(vii) other cases which may result in a dilutory or appreciatory impact on the theoretical value of the Share.

(5) If (i) liquidity relating to [the Share][one or more Share(s) constituting a Basket Constituent] on the [relevant] Reference Market decreases considerably in the discretionary judgment of the Calculation Agent, (ii) the listing or trading of [the Shares][one or more Share(s) constituting a Basket Constituent] on the [relevant] Reference Market is suspended for whatever reason (except in case of a concentration, in which the provisions of paragraph 6) below shall apply) or such a suspension is published by the [relevant] Reference Market, (iii) in the discretionary judgment of the Calculation Agent, the insolvency, dissolution, liquidation or similar events occur are imminent or threaten to occur, or if a petition for insolvency is filed with regard to the [relevant] Company [which has issued a Share constituting a Basket Constituent], or (iv) all Shares or all material assets of [the][a] Company[which has issued a Share constituting a Basket Constituent] are nationalized or expropriated or otherwise made subject to transfer to a government agency, authority or other state agency, the Issuer shall be entitled to exercise termination of the Securities pursuant to Section 10 of the Issue Specific Conditions.

If the listing or inclusion of [the Share][one or more Share(s) constituting a Basket Constituent] on the [relevant] Reference Market is suspended, but listing or inclusion in another exchange continues or commences, the Calculation

Übernahmen, der bzw. das für den Eintritt bestimmter Fälle die Ausschüttung von Vorzugsaktien, Optionsscheinen, Anleihen oder Aktienbezugsrechten unterhalb des (nach billigem Ermessen der Berechnungsstelle festgestellten) Marktwertes vorsieht, wobei jede Anpassung, die aufgrund eines solchen Ereignisses durchgeführt wird, bei Rücknahme dieser Rechte wieder rückangepasst wird; oder

(vii) andere Fälle, die einen verwässernden oder werterhöhenden Einfluss auf den theoretischen Wert der Aktie haben können.

(5) Sollte(n) (i) bezüglich [der Aktie][einer oder mehrerer einen Korbbestandteil bildenden Aktie(n)] nach billigem Ermessen der Berechnungsstelle die Liquidität an dem [jeweiligen] Referenzmarkt deutlich abnehmen, (ii) aus irgendeinem Grund (außer im Fall eines Zusammenschlusses, für den dann die Regelungen in Absatz (6) gelten) die Notierung oder der Handel [der Aktie][einer oder mehrerer einen Korbbestandteil bildenden Aktie(n)] an dem [jeweiligen] Referenzmarkt eingestellt werden oder die Einstellung von dem [jeweiligen] Referenzmarkt angekündigt werden, (iii) nach billigem Ermessen der Berechnungsstelle bei der [jeweiligen] Gesellschaft[, welche eine einen Korbbestandteil bildende Aktie begeben hat,] der Insolvenzfall, die Auflösung, Liquidation oder ein ähnlicher Fall drohen, unmittelbar bevorstehen oder eingetreten sein oder ein Insolvenzantrag gestellt worden sein, oder (iv) alle Aktien oder alle wesentlichen Vermögenswerte [der][einer] Gesellschaft[, welche eine einen Korbbestandteil bildende Aktie begeben hat,] verstaatlicht oder enteignet werden oder in sonstiger Weise auf eine Regierungsstelle, Behörde oder sonstige staatliche Stelle übertragen werden müssen, ist die Emittentin berechtigt, die Wertpapiere gemäß § 10 der Emissionsbezogenen Bedingungen zu kündigen.

Falls die Notierung oder sonstige Einbeziehung [der Aktie][einer oder mehrerer einen Korbbestandteil bildenden Aktie(n)] an dem [jeweiligen] Referenzmarkt eingestellt wird, eine Notierung oder Einbeziehung jedoch an

Agent shall further be entitled to designate another exchange or trading system for the affected [relevant] Share as the new Reference Market ("**Substitute Reference Market**") and thereby to make any adjustments which may appear necessary thereto at its discretion. In the event of such substitution, each reference herein to the [relevant] Reference Market shall continue to apply as a reference to the [relevant] Substitute Reference Market.

einer anderen Börse besteht oder aufgenommen wird, ist die Berechnungsstelle ferner berechtigt, eine andere Börse oder ein anderes Handelssystem für die [jeweilige] Aktie als neuen Referenzmarkt ("**Ersatzreferenzmarkt**") zu bestimmen und dadurch ihr gegebenenfalls notwendig erscheinende Anpassungen nach billigem Ermessen vorzunehmen. Im Fall einer solchen Ersetzung gilt jede in diesen Bedingungen enthaltene Bezugnahme auf den [jeweiligen] Referenzmarkt fortan als Bezugnahme auf den [jeweiligen] Ersatzreferenzmarkt.

(6) In the event of (i) a consolidation, merger or binding share transfer between [the][a] Company [which has issued a Share constituting a Basket Constituent] and another person or company, (ii) a transfer of [the Share][one or more Share(s) constituting a Basket Constituent] or agreement to make such a transfer to another person or company or (iii) the acquisition of [the Share][one or more Share(s) constituting a Basket Constituent], in whole or in part, by another person or company, or if another person or company has the right to obtain the [relevant] Share, in whole or in part, the Calculation Agent shall make any adjustments at its reasonable discretion, whereby no adjustment shall be made merely to account for changes in volatility, expected dividends, interest rates or the liquidity of the Share. It shall further be entitled, but not obliged, to designate Substitute Shares (paragraph (9)) in place of the affected Share. The Calculation Agent shall be entitled, but not obliged, to use the procedure on an exchange on which options for the [relevant] Share are traded as a guideline for the adjustment.

(6) Im Fall (i) einer Konsolidierung, Verschmelzung, eines Zusammenschlusses oder eines verbindlichen Aktientauschs [der][einer] Gesellschaft[, welche eine einen Korbbestandteil bildende Aktie begeben hat,] mit einer anderen Person oder Gesellschaft, (ii) einer Übertragung [der Aktie][einer oder mehrerer einen Korbbestandteil bildenden Aktie(n)] oder einer Verpflichtung zu einer solchen Übertragung an eine andere Person oder Gesellschaft oder (iii) einer Übernahme [der Aktie][einer oder mehrerer einen Korbbestandteil bildenden Aktie(n)] insgesamt oder zum Teil durch eine andere Person oder Gesellschaft bzw. wenn eine andere Person oder Gesellschaft das Recht hat, die [jeweilige] Aktie insgesamt oder zum Teil zu erhalten, nimmt die Berechnungsstelle etwaige Anpassungen nach billigem Ermessen vor, wobei jedoch keine Anpassung erfolgt, nur um Änderungen in der Volatilität, erwarteten Dividenden, Zinssätzen oder der Liquidität der Aktie Rechnung zu tragen. Ferner ist sie berechtigt, jedoch nicht verpflichtet, statt der betroffenen Aktie eine Ersatzaktie (Absatz (9)) zu bestimmen. Dabei ist die Berechnungsstelle berechtigt, jedoch nicht verpflichtet, die Vorgehensweise einer Börse, an der Optionen auf die [jeweilige] Aktie gehandelt werden, für die Anpassung als Richtlinie zu verwenden.

(7) If [the][a] Company [which has issued a Share constituting a Basket Constituent] is subject of a split or similar operation which, in the discretionary judgment of the Calculation Agent, will have a dilutory or appreciatory impact on the theoretical value of the Company's affected Share, and if the Company's shareholders or the Company itself are entitled thereby to shares or other titles in one or more other

(7) Sollte [die][eine] Gesellschaft[, welche eine einen Korbbestandteil bildende Aktie begeben hat,] Gegenstand einer Spaltung oder einer ähnlichen Maßnahme sein, die nach billigem Ermessen der Berechnungsstelle einen verwässernden oder werterhöhenden Einfluss auf den theoretischen Wert der Aktie hat, und sollten den Gesellschaftern der Gesellschaft oder der Gesellschaft selbst

companies, or other values, assets or rights, the Calculation Agent shall be entitled at its reasonable discretion to replace the current Share(s) of the Company which is the subject of a split or similar operations. The substitution may be made in such a way that the Calculation Agent designates a new Share or a basket of new Shares ("**Exchange Basket**") [as new Basket Constituent]. As far as the Calculation Agent designates an Exchange Basket [as new Basket Constituent], the Calculation Agent shall define the percentage with which each new Share is weighted within the Exchange Basket. The Exchange Basket may include the existing Share(s). In exercising its reasonable discretion, the Calculation Agent shall particularly take into account the liquidity of the affected values. The Calculation Agent shall be entitled to use the procedure of an exchange in which options for the [relevant] Shares are traded as a guideline for the adjustment. The Calculation Agent shall further be entitled to make additional or other adjustments which appear financially reasonable, at its reasonable discretion. The provision mentioned above shall apply accordingly for the new Share or the Exchange Basket.

(8) Should the Calculation Agent determine that adjustments for Shares [which constitute a Basket Constituent] differ from the measures described in paragraphs (3) to (7) above pursuant to company law or market custom applicable to the relevant Company [which has issued a Share constituting a Basket Constituent], the Calculation Agent has the right but not the obligation to carry out the adjustments in accordance with these provisions or customs and such deviating from the measures provided for in paragraphs (3) to (7) above. The Calculation Agent furthermore has the right, but not the obligation, in all of the aforementioned cases to carry out the adjustment according to different rules, if this appears more appropriate to it, in order to maintain the value of the Securities in the amount, which these had prior to the event triggering the adjustment.

dadurch Gesellschaftsanteile oder andere Werte an einer oder mehreren anderen Gesellschaften oder sonstige Werte, Vermögensgegenstände oder Rechte zustehen, ist die Berechnungsstelle nach billigem Ermessen berechtigt, die bisherige(n) Aktie(n) der Gesellschaft, die Gegenstand einer Spaltung oder ähnlichen Maßnahmen ist bzw. sind, zu ersetzen. Die Ersetzung kann insbesondere in der Weise erfolgen, dass die Berechnungsstelle eine neue Aktie oder einen Korb neuer Aktien ("**Austauschkorb**") [als neuen Korbbestandteil] bestimmt. Soweit die Berechnungsstelle einen Austauschkorb [als neuen Korbbestandteil] bestimmt, wird die Berechnungsstelle den Anteil für jede neue Aktie festlegen, mit dem sie in dem Austauschkorb gewichtet wird. Der Austauschkorb kann auch die bisherige(n) Aktie(n) umfassen. Bei der Ausübung des billigen Ermessens wird die Berechnungsstelle insbesondere die Liquidität der betroffenen Werte berücksichtigen. Die Berechnungsstelle ist berechtigt, die Vorgehensweise einer Börse, an der Optionen auf die [betroffene] Aktie gehandelt werden, für die Anpassung als Richtlinie zu verwenden. Die Berechnungsstelle ist ferner berechtigt, weitere oder andere Anpassungen vorzunehmen, die ihr nach billigem Ermessen wirtschaftlich angemessen erscheinen. Die vorgenannte Regelung gilt entsprechend für die neue Aktie bzw. den Austauschkorb.

(8) Sollte die Berechnungsstelle feststellen, dass Anpassungen für Aktien[, welche einen Korbbestandteil bilden] nach dem auf die jeweilige Gesellschaft[, welche eine einen Korbbestandteil bildende Aktie begeben hat,] anwendbaren Gesellschaftsrecht oder anwendbarer Marktusage von den in vorstehenden Absätzen (3) bis (7) beschriebenen Maßnahmen abweichen, so ist die Berechnungsstelle berechtigt, aber nicht verpflichtet, die Anpassungen nach Maßgabe dieser Vorschriften bzw. Usancen und damit abweichend von den in den vorstehenden Absätzen (3) bis (7) vorgesehenen Maßnahmen durchzuführen. Ferner ist die Berechnungsstelle in allen vorgenannten Fällen berechtigt, jedoch nicht verpflichtet, die Anpassung auch nach anderen Regeln durchzuführen, wenn ihr dies angemessener erscheint, um den Wert der Wertpapiere in der Höhe zu erhalten,

- den diese vor dem die Anpassung auslösenden Ereignis hatten.
- (9) If [the Share] [a Share constituting a Basket Constituent] is replaced based on the provisions of this Section 9 ("**Substitute Share**"), the Calculation Agent shall determine the Reference Market and the Related Exchange for the relevant Substitute Share. The Share which is replaced shall no longer be the [Underlying][Basket Constituent], the Company defined in [paragraph (1) hereof][ Table 2 in the Annex to the Issue Specific Conditions which has issued the relevant Share] shall no longer be the Company, the replaced reference market or the replaced related exchange shall no longer be the Reference Market or the Related Exchange. Each reference contained herein to the Share shall be deemed to be a reference to the [relevant] Substitute Share, each reference contained herein to the Company as issuer of the Share shall be deemed to be a reference to the [relevant] Company which is the issuer of the Substitute Share and each reference contained herein to the Reference Market or Related Exchange shall be deemed to be a reference to the [relevant] reference market or the related [relevant] exchange which is newly determined by the Calculation Agent.
- (9) Wird aufgrund der Bestimmungen dieses § 9 [die] [eine einen Korbbestandteil bildende] Aktie ersetzt ("**Ersatzaktie**"), so bestimmt die Berechnungsstelle den für die betreffende Ersatzaktie maßgeblichen Referenzmarkt und die Maßgebliche Terminbörse. Ab diesem Zeitpunkt gilt die zu ersetzende Aktie nicht mehr als [Basiswert][Korbbestandteil] und die in [Absatz (1) genannte Gesellschaft][der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebene Gesellschaft, welche die betroffene Aktie begeben hat,] nicht mehr als Gesellschaft und der zu ersetzende Referenzmarkt bzw. die zu ersetzende Maßgebliche Terminbörse nicht mehr als Referenzmarkt bzw. Maßgebliche Terminbörse. Jede in diesen Bedingungen enthaltene Bezugnahme auf die Aktie gilt fortan als Bezugnahme auf die [jeweilige] Ersatzaktie, jede in diesen Bedingungen enthaltene Bezugnahme auf die Gesellschaft als Emittentin der Aktie gilt fortan als Bezugnahme auf die [jeweilige] Gesellschaft, welche Emittentin der Ersatzaktie ist und jede in diesen Bedingungen enthaltene Bezugnahme auf den Referenzmarkt oder die Maßgebliche Terminbörse gilt als Bezugnahme auf den von der Berechnungsstelle neu bestimmten [jeweiligen] Referenzmarkt oder die neu bestimmte [jeweilige] Maßgebliche Terminbörse.
- (10) Changes to the nature and manner in which [the Underlying Price][[the closing price][*insert other price: •*] of the relevant Basket Constituent] or another pursuant to these Terms and Conditions authoritative rate or price for the [Underlying][a Basket Constituent] is calculated, including the change of the Calculation Dates and Calculation Hours authoritative for [the Underlying][a Basket Constituent], authorize the Calculation Agent to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines the date, taking into account the time of the change, when the adjusted Securities Right is to be used as a basis for the first time. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.
- (10) Veränderungen in der Art und Weise der Berechnung [des Referenzpreises] [[des Schlusskurses] [*anderen Kurs einfügen: •*] des jeweiligen Korbbestandteils] bzw. anderer gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den [Basiswert][einen Korbbestandteil], einschließlich der Veränderung der für [den Basiswert][einen Korbbestandteil] maßgeblichen Berechnungstage und Berechnungsstunden berechtigen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunktes der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt

gemacht.

Section 10  
Extraordinary Termination

(1) If, in the reasonable discretion of the Calculation Agent, a proper adjustment as described in Section 9 of the Issue Specific Conditions is impracticable, or if termination in accordance with Section 9 of the Issue Specific Conditions has been specified as the adjustment, the Issuer has the right, but not the obligation, to terminate the Securities extraordinarily through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below. The termination becomes effective on the day of the announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). Furthermore, the Issuer has the right, but not the obligation, to terminate the Securities extraordinarily through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below, if an Additional Disruption Event (paragraph (4)) exists. The termination must occur within a month after final discontinuation of the listing of the [Shares of the Company][Shares of the Company constituting a Basket Constituent] at the [relevant] Reference Market or within one month after the occurrence of another event justifying termination. In the case of a termination, the Issuer shall pay an amount to each Security Holder in respect to each Security held by it (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as a fair market price of a Security immediately prior to the discontinuation of the listing or determination of the low liquidity of the [Shares of the Company][Shares of the Company constituting a Basket Constituent] at the [relevant] Reference Market or the occurrence of the event justifying termination[, taking into account the remaining time value]. When determining the Termination Amount, the Calculation Agent may, *inter alia*, also take the probability of default of the Issuer based on the credit spreads quoted on

§ 10  
Außerordentliche Kündigung

(1) Ist nach billigem Ermessen der Berechnungsstelle eine sachgerechte Anpassung wie in § 9 der Emissionsbezogenen Bedingungen beschrieben nicht möglich, oder ist als Anpassung die Kündigung gemäß § 9 der Emissionsbezogenen Bedingungen vorgesehen, ist die Emittentin berechtigt, aber nicht verpflichtet, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Emittentin ist auch berechtigt, aber nicht verpflichtet, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen, wenn ein Weiteres Störungsereignis (Absatz (4)) vorliegt. Die Kündigung hat innerhalb von einem Monat nach endgültiger Einstellung der Notierung der [Aktien der Gesellschaft][der einen Korbbestandteil bildenden Aktien der Gesellschaft] an dem [jeweiligen] Referenzmarkt bzw. innerhalb eines Monats nach Eintritt eines sonstigen zur Kündigung berechtigenden Ereignisses zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Einstellung der Notierung bzw. Feststellung der geringen Liquidität der [Aktien der Gesellschaft][der einen Korbbestandteil bildenden Aktien der Gesellschaft] an dem [jeweiligen] Referenzmarkt oder dem Eintreten des zur Kündigung berechtigenden Ereignisses [unter Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann

the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account. [When determining the Termination Amount in the case of a termination as a consequence of a takeover offer, if the consideration consists exclusively or predominantly of cash, other market parameters prior to the announcement of the takeover offer may be taken into account in accordance with the usual methods at futures exchanges for determining the theoretical fair value, particularly expected dividends and implied volatilities, in addition to the price of the [Underlying][Basket Constituent] after announcement of the takeover offer.]

die Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen. [Im Fall einer Kündigung in Folge eines Übernahmeangebots können bei der Bestimmung des Kündigungsbetrags, entsprechend dem an Terminbörsen üblichen Verfahren zur Bestimmung des theoretischen fairen Werts, sofern die Gegenleistung ausschließlich oder überwiegend in Bar erfolgt, neben dem Kurs des [Basiswerts][Korbbestandteils] nach Bekanntgabe des Übernahmeangebots auch sonstige Marktparameter vor Bekanntgabe des Übernahmeangebots berücksichtigt werden, insbesondere Dividendenerwartungen und implizite Volatilitäten.]

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| <p>(2) The Issuer will cause the transfer of the Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration set out in [Section 6 (2)][Section 4 (3)(a)(iv)] of the Issue Specific Conditions is deemed to be issued automatically.</p> <p>(3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees or charges, which are payable by the Security Holder, as aforesaid.</p> <p>(4) An "<b>Additional Disruption Event</b>" exists if</p> <p style="padding-left: 20px;">(a) the Calculation Agent determines that (i) due to the adoption or amendment of applicable laws or directives (including tax laws) after the Issue Date, or (ii) due to the promulgation or change of the interpretation of applicable laws or directives after the Issue Date by the competent courts, arbitration panels, or regulatory agencies (including measures by</p> | <p>(2) Die Emittentin wird bis zu dem [fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung gemäß Absatz (1) gilt die in [§ 6 (2)] [§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.</p> <p>(3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.</p> <p>(4) Ein "<b>Weiteres Störungseignis</b>" liegt vor, wenn</p> <p style="padding-left: 20px;">(a) die Berechnungsstelle feststellt, dass (i) aufgrund der am oder nach dem Emissionstag erfolgten Verabschiedung oder Änderung von anwendbaren Gesetzen oder Verordnungen (einschließlich von Steuergesetzen), oder (ii) aufgrund der am oder nach dem Emissionstag erfolgten Verkündung oder der Änderung der Auslegung von anwendbaren</p> |
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tax authorities), (x) it has become or will become illegal or impracticable for it to hold, acquire, or dispose of the [relevant] Shares, or (y) it has incurred or will incur significantly higher direct or indirect costs during the fulfilment of its obligations under the Securities or related hedging measures (for example, due to an increased tax liability, lower tax benefits, or other negative effects on the tax situation of the Issuer); or

(b) the Calculation Agent determines that it is unable, even after making economically reasonable efforts, (i) to enter into, maintain, or close down transactions, which it considers necessary in order to hedge its risk from the assumption and fulfilment of its obligations under the Securities, or (ii) to realize or forward the proceeds of these transactions; or

(c) the Calculation Agent determines that it has incurred or will incur significantly higher taxes, dues, expenses, or fees (however, no brokerage fees), in order to (i) to enter into, maintain, or close down transactions, which it considers necessary in order to hedge its risk from the assumption and fulfilment of its obligations under the Securities, or (ii) to realize or forward the proceeds of these transactions, and such expenses may also include increased borrowing costs resulting from the illiquidity of [an Underlying][a Basket Constituent], which had previously been sold short.]

Gesetzen oder Verordnungen durch die zuständigen Gerichte, Schiedsstellen oder Aufsichtsbehörden (einschließlich Maßnahmen von Steuerbehörden), (x) es für sie rechtswidrig oder undurchführbar geworden ist oder werden wird, die [jeweiligen] Aktien zu halten, zu erwerben oder zu veräußern oder (y) ihr wesentlich höhere direkte oder indirekte Kosten bei der Erfüllung ihrer Verpflichtungen aus den Wertpapieren bzw. verbundener Absicherungsmaßnahmen (beispielsweise aufgrund einer erhöhten Steuerpflicht, geringerer Steuervorteile oder anderer negativer Auswirkungen auf die Steuersituation der Emittentin) entstanden sind oder entstehen werden; oder

(b) die Berechnungsstelle feststellt, dass sie auch nach Aufwendung zumutbarer wirtschaftlicher Bemühungen nicht in der Lage ist, (i) Geschäfte abzuschließen, beizubehalten oder aufzulösen, die sie als notwendig erachtet, um ihr Risiko aus der Übernahme und Erfüllung ihrer Verpflichtungen aus den Wertpapieren abzusichern, oder (ii) die Erlöse dieser Geschäfte zu realisieren oder weiterzuleiten; oder

(c) die Berechnungsstelle feststellt, dass ihr wesentlich höhere Steuern, Abgaben, Aufwendungen oder Gebühren (jedoch keine Vermittlungsgebühren) entstanden sind oder entstehen werden, um (i) Geschäfte abzuschließen, beizubehalten oder aufzulösen, die die Emittentin für notwendig erachtet, um ihr Risiko der Übernahme und Erfüllung ihrer Verpflichtungen aus den Wertpapieren abzusichern oder (ii) die Erlöse dieser Geschäfte zu realisieren oder weiterzuleiten, wobei solche Aufwendungen auch erhöhte Leihgebühren sein können, die sich aus der Angebotsknappheit eines [Basiswerts][eines Korbbestandteils], der zuvor leer verkauft worden ist, ergeben.]

[in case of currency exchange rates as underlying, insert:

[im Fall von Währungs-Wechselkursen als Basiswert einfügen:

Section 8  
Market Disruptions

§ 8  
Marktstörungen

(1) If a Market Disruption Event (paragraph (2)) exists on the Final Valuation Date, then the Calculation Agent shall determine the Underlying Price in its reasonable discretion taking into account the market situation existing on the Final Valuation Date and publish it in accordance with Section 6 (Notices) of the General Conditions.

(1) Wenn an dem Finalen Bewertungstag ein Marktstörungsereignis (Absatz (2)) vorliegt, dann wird die Berechnungsstelle die Kursreferenz nach billigem Ermessen unter Berücksichtigung der an dem Finalen Bewertungstag herrschenden Marktgegebenheiten bestimmen und gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekanntmachen.

(2) **"Market Disruption Event"** means

(2) **"Marktstörungsereignis"** bedeutet

(i) the suspension of or failure to announce a price of the Underlying, which is relevant for the Securities, at the Reference Market or any other institution that is suitable pursuant to the Terms and Conditions; or

(i) die Suspendierung oder das Ausbleiben der Bekanntgabe eines für die Wertpapiere maßgeblichen Kurses des Basiswerts an dem Referenzmarkt oder einer anderen nach diesen Zertifikatsbedingungen geeigneten Stelle; oder

(ii) the suspension or a material restriction of banking transactions in the Relevant Country; or

(ii) die Suspendierung oder eine wesentliche Einschränkung der Bankgeschäfte in dem Maßgeblichen Land; oder

(iii) the suspension or a material restriction of trading

(iii) die Suspendierung oder eine wesentliche Einschränkung des Handels

(a) in a currency used in connection with the Underlying on the Reference Market;

(a) in einer im Zusammenhang mit dem Basiswert verwendeten Währung an dem Referenzmarkt;

(b) in futures or option contracts in respect to a currency used in connection with the Underlying on a Related Exchange where such contracts are usually traded;

(b) in Termin- oder Optionskontrakten auf eine im Zusammenhang mit dem Basiswert verwendeten Währung an einer Terminbörse, an der solche Kontrakte üblicherweise gehandelt werden;

(c) due to the order of a public authority or of the Reference Market or due to a moratorium for banking transactions in the country in which the Reference Market is domiciled; or

(c) aufgrund einer Anordnung einer Behörde oder des Referenzmarkts bzw. aufgrund eines Moratoriums für Bankgeschäfte in dem Land, in dem der Referenzmarkt ansässig ist; oder

(d) due to other

(d) aufgrund sonstiger

|         |   |         |  |
|---------|---|---------|--|
|         | circumstances that are comparable to the aforementioned circumstances; or   |         | Umstände, die mit den oben genannten Umständen vergleichbar sind; oder   |
| (iv)    | public or other governmental measures in the Relevant Country or their announcement, through which the Issuer is negatively affected in its ability to enter into or hold transactions in a currency used in connection with the Underlying; or   | (iv)    | hoheitliche oder sonstige staatliche Maßnahmen in dem Maßgeblichen Land bzw. deren Ankündigung, durch die die Emittentin in ihren Möglichkeiten beeinträchtigt wird, Geschäfte in einer im Zusammenhang mit dem Basiswert verwendeten Währung abzuschließen oder zu halten; oder   |
| (v)     | the suspension or restriction of foreign exchange trading in at least one of the currencies of the currency or currency pairs constituting the Underlying (including options or futures contracts) and/or the restriction of the convertibility of the currencies or currency pairs and/or the economical impossibility to obtain a conversion rate for the currencies; or  | (v)     | die Suspendierung oder Einschränkung des Devisenhandels in mindestens einer der Währungen der den Basiswert bildenden Währung bzw. Währungs-Wechselkurspaares (eingeschlossen Options- oder Terminkontrakte) bzw. die Einschränkung der Konvertierbarkeit der Währungen dieses Währungs-Wechselkurspaares bzw. die wirtschaftliche Unmöglichkeit, einen Währungs-Wechselkurs für die Währungen zu erhalten; oder   |
| [(vi)]  | in the case that the determination of the currency pair constituting the Underlying by way of a cross rate calculation, the suspension or restriction of foreign exchange trading in at least one of the currencies of the currency pairs used for the cross rate calculation (including options or futures contracts) and/or the restriction of the convertibility of the currencies or currency pairs and/or the economical impossibility to obtain a conversion rate for the currencies; or] | [(vi)]  | im Fall einer Überkreuzberechnung zur Ermittlung des den Basiswert bildenden Währungs-Wechselkurspaares die Suspendierung oder Einschränkung des Devisenhandels in mindestens einer der Währungen der für die Überkreuzberechnung herangezogenen Währungs-Wechselkurspaares (eingeschlossen Options- oder Terminkontrakte) bzw. die Einschränkung der Konvertierbarkeit der Währungen dieses Währungs-Wechselkurspaares bzw. die wirtschaftliche Unmöglichkeit, einen Währungs-Wechselkurs für die jeweiligen Währungen zu erhalten; oder] |
| [(vii)] | the occurrence of an event, which would make it impossible for the Issuer to exchange a currency used in connection with the Underlying into the currency in which the Securities are repaid, or any other event that makes it  | [(vii)] | das Eintreten eines Ereignisses, das es der Emittentin unmöglich machen würde, eine im Zusammenhang mit dem Basiswert verwendete Währung in die Währung, in der die Rückzahlung der Wertpapiere  |

impossible for the Issuer to exchange currencies relevant for the Securities or transfer them into a currency used in connection with the Underlying; or

[(viii)] the occurrence of an event, which according to the determination by the Calculation Agent disrupts or negatively affects the general capability of market participants:

(a) to determine market values for a currency used in connection with the Underlying; or

(b) to carry out transactions with futures or option contracts in respect to a currency used in connection with the Underlying on a Related Exchange, where such contracts are usually traded, or to determine market values for such contracts there; or

[(ix)] other events different from the before mentioned events the consequences of which, however, are economically comparable to those of the before mentioned events.

A reduction of the regular trading hours or a restriction of the hours or number of days on which trading occurs is not considered a Market Disruption Event, if the restriction is due to a change of the regular trading hours of the Reference Market, which was announced at least one hour prior to the actual end of the regular trading hours at the Reference Market. A trading restriction imposed during the course of a day due to price movements, which exceed certain limits, is considered a Market Disruption Event only, if this restriction continues until the end of the trading hours on that particular day.

**"Relevant Country"** for purposes of this provision means in respect to the

erfolgt, umzutauschen, oder ein sonstiges Ereignis, dass es der Emittentin unmöglich macht, für die Wertpapiere relevante Währungen umzutauschen oder eine im Zusammenhang mit dem Basiswert verwendete Währung zu transferieren; oder

[(viii)] das Eintreten eines Ereignisses, das nach Feststellung durch die Berechnungsstelle die allgemeine Fähigkeit der Marktteilnehmer stört oder beeinträchtigt:

(a) Marktwerte für eine im Zusammenhang mit dem Basiswert verwendete Währung zu ermitteln; oder

(b) Transaktionen mit Termin- oder Optionskontrakten auf eine im Zusammenhang mit dem Basiswert verwendete Währung an einer Terminbörse zu tätigen, an der solche Kontrakte üblicherweise gehandelt werden, oder dort Marktwerte für solche Kontrakte zu ermitteln; oder

[(ix)] andere als die vorstehend bezeichneten Ereignisse, die jedoch in ihren Auswirkungen den genannten Ereignissen wirtschaftlich vergleichbar sind.

Eine Verkürzung der regulären Handelszeiten oder eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörungsereignis, sofern die Einschränkung auf einer Änderung der regulären Handelszeiten des Referenzmarkts beruht, die mindestens eine Stunde vor dem tatsächlichen Ende der regulären Handelszeiten an dem Referenzmarkt angekündigt worden ist. Eine im Laufe eines Tages auferlegte Beschränkung im Handel aufgrund von Preisbewegungen, die bestimmte vorgegebene Grenzen überschreiten, gilt nur dann als Marktstörungsereignis, wenn diese Beschränkung bis zum Ende der Handelszeit an dem betreffenden Tag fort dauert.

**"Maßgebliches Land"** im Sinne dieser Vorschrift bezeichnet in Bezug auf den

Underlying both (a) a country (or an administrative or regulatory agency thereof), in which the currency used with the Underlying [or the currency pairs constituting the Underlying] [is][are] legal tender or official currency, and (b) a country (or an administrative or regulatory agency thereof), to which a currency used in connection with the Underlying has a material relationship according to the reasonable discretion of the Calculation Agent.

Basiswert (a) ein Land (oder eine Verwaltungs- oder Aufsichtsbehörde desselben), in dem die mit dem Basiswert verwendete Währung [bzw. die den Basiswert bildenden Währungs-Wechselkurspaare] gesetzliches Zahlungsmittel oder offizielle Währung [ist][sind], als auch (b) ein Land (oder eine Verwaltungs- oder Aufsichtsbehörde desselben), zu dem eine im Zusammenhang mit dem Basiswert verwendete Währung nach billigem Ermessen der Berechnungsstelle in einer wesentlichen Beziehung steht.

### Section 9

#### Underlying; Underlying Price; Successor Currency; Substitute Reference Market; Adjustments

- (1) The "**Underlying**" corresponds to the currency exchange rate specified as the Underlying in Table 2 in the Annex to the Issue Specific Conditions.
- (2) The "**Underlying Price**" corresponds to the Underlying Price specified in Table 2 in the Annex to the Issue Specific Conditions, which corresponds to the value expressed in the Reference Currency for one unit of the Base Currency specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Base Currency**") at the Reference Market specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Reference Market**") and shown on the Screen Page specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Screen Page**") or any page replacing it. If the Screen Page should not be available on the stated date or if the Underlying Price [or a Underlying Price component] is not shown, the Underlying Price or the Underlying Price component corresponds to the Underlying Price [or to the Underlying Price component, as determined by the Calculation Agent based on the corresponding page of another financial information service]. If the Underlying Price [or a Underlying Price component] should not or no longer be shown in one of the ways referred to above, the Calculation Agent has the right to determine an Underlying Price in its reasonable discretion based on the market conditions applicable at that time and taking into account the market situation existing at that time. The "**Reference Currency**" corresponds to

### § 9

#### Basiswert; Kursreferenz; Nachfolge-Währung; Ersatzreferenzmarkt; Anpassungen

- (1) Der "**Basiswert**" entspricht dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Basiswert angegebenen Währungs-Wechselkurs.
- (2) Die "**Kursreferenz**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Kursreferenz, die dem in der Referenzwährung ausgedrückten Gegenwert für eine Einheit der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Handelswährung (die "**Handelswährung**") entspricht, wie sie auf Basis des an dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzmarkt (der "**Referenzmarkt**") festgestellt und auf der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Bildschirmseite (die "**Bildschirmseite**") oder einer diese ersetzenden Seite angezeigt wird. Sollte die Bildschirmseite an dem angegebenen Tag nicht zur Verfügung stehen oder wird die Kursreferenz [bzw. eine Kursreferenzkomponente] nicht angezeigt, entspricht die Kursreferenz bzw. die Kursreferenzkomponente der Kursreferenz [bzw. der Kursreferenzkomponente, wie sie von der Berechnungsstelle auf Basis der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes festgestellt wird]. Sollte die Kursreferenz [bzw. eine Kursreferenzkomponente] nicht oder nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die

the Reference Currency specified in Table 2 in the Annex to the Issue Specific Conditions. [The "**Observation Price**" of the Underlying corresponds to the [mean prices (arithmetic mean between the respective quoted bid and offer price pairs)][bid prices][ask prices] for the Underlying offered at the Reference Market continuously published on the Screen Page relevant for the Reference Market (the "**Barrier Observation Price Screen Page**"), as determined by the Calculation Agent in its reasonable discretion][insert other relevant Observation Price: •.] "**Calculation Dates**" are dates on which prices for the Underlying are usually calculated by the Reference Market and published on the Screen Page relevant for the Reference Market. ["**Calculation Hours**" is the period during a Calculation Date, when prices for the Underlying are usually calculated at the Reference Market and published on the Screen Page relevant for the Reference Market.]

Berechnungsstelle berechtigt, als Kursreferenz eine auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelte Kursreferenz festzulegen. Die "**Referenzwährung**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung. [Der "**Beobachtungskurs**" des Basiswerts entspricht den [von der Berechnungsstelle nach billigem Ermessen festgestellten, an dem Referenzmarkt angebotenen und auf der für den Referenzmarkt maßgeblichen Bildschirmseite (die "**Bildschirmseite für die Beobachtung des Kurses**") fortlaufend veröffentlichten [Mittelkursen (arithmetisches Mittel zwischen den jeweils quotierten An- und Verkaufspreispaaren)] [Ankaufspreisen] [Verkaufspreisen] für den Basiswert][anderen Beobachtungskurs einfügen: •.] "**Berechnungstage**" sind Tage, an denen Kurse für den Basiswert von dem Referenzmarkt üblicherweise berechnet und auf der für den Referenzmarkt maßgeblichen Bildschirmseite veröffentlicht werden. ["**Berechnungsstunden**" ist der Zeitraum innerhalb eines Berechnungstages, an denen Kurse für den Basiswert an dem Referenzmarkt üblicherweise berechnet und auf der für den Referenzmarkt maßgeblichen Bildschirmseite veröffentlicht werden.]

(3) Changes to the nature and manner in which the Underlying Price or other pursuant to these Terms and Conditions authoritative rates or prices for the Underlying is calculated, including the change of the Calculation Dates and Calculation Hours authoritative for the Underlying, authorize the Calculation Agent to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines the date, taking into account the time of the change, when the adjusted Securities Right is to be used as a basis for the first time. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

(3) Veränderungen in der Art und Weise der Berechnung der Kursreferenz bzw. anderer gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den Basiswert, einschließlich der Veränderung der für den Basiswert maßgeblichen Berechnungstage und Berechnungsstunden berechtigen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(4) If a currency used in connection with the Underlying is replaced in its function as legal tender of the country or jurisdiction

(4) Wird eine im Zusammenhang mit dem Basiswert verwendete Währung in ihrer Funktion als gesetzliches Zahlungsmittel

or of the countries or jurisdictions, which support the public authority, institution, or other entity, which issues this currency, with a different currency or is merged with a different currency into a common currency, the affected currency shall be replaced for purposes of these Conditions with the other or common currency, if applicable, after making corresponding adjustments in accordance with the above paragraph (the "**Successor Currency**"). The Successor Currency as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

In this case, each reference contained in these Terms and Conditions to the affected currency will, from the date and time of any such adjustment, be deemed a reference to the Successor Currency, if the context permits.

- (5) If the Underlying Price or other prices relevant pursuant to these Terms and Conditions for the Underlying is no longer calculated and published at the Reference Market, but by a different person, company, or institution, which the Calculation Agent considers acceptable in its reasonable discretion (the "**Substitute Reference Market**"), the Cash Amount shall be calculated based on the corresponding price calculated and published at the Substitute Reference Market for the Underlying. Furthermore, any reference contained in these Conditions to the Reference Market is deemed, if the context permits it, a reference to the Substitute Reference Market. The replacement of the Reference Market is announced in accordance with Section 6 (Notices) of the General Conditions.

#### Section 10 Extraordinary Termination

- (1) If according to the reasonable discretion of the Calculation Agent, a determination of the Underlying Price in accordance with the provisions in Section 9 of the Issue Specific Conditions is not possible for any reasons whatsoever, the Issuer has the right, to terminate the Securities extraordinarily through an announcement

des Landes oder der Rechtsordnung bzw. der Länder oder Rechtsordnungen, welche die Behörde, Institution oder sonstige Körperschaft unterhalten, die diese Währung ausgibt, durch eine andere Währung ersetzt oder mit einer anderen Währung zu einer gemeinsamen Währung verschmolzen, so wird die betroffene Währung für die Zwecke dieser Zertifikatsbedingungen durch die andere bzw. gemeinsame Währung, gegebenenfalls unter Vornahme entsprechender Anpassungen nach dem vorstehenden Absatz, ersetzt (die "**Nachfolge-Währung**"). Die Nachfolge-Währung sowie der Zeitpunkt ihrer erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

In diesem Fall gilt jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf die betroffene Währung, sofern es der Zusammenhang erlaubt, als Bezugnahme auf die Nachfolge-Währung.

- (5) Wird die Kursreferenz oder andere nach diesen Zertifikatsbedingungen für den Basiswert maßgebliche Kurse nicht mehr am Referenzmarkt, sondern von einer anderen Person, Gesellschaft oder Institution, die die Berechnungsstelle nach billigem Ermessen für geeignet hält (der "**Ersatzreferenzmarkt**") berechnet und veröffentlicht, so wird der Auszahlungsbetrag auf der Grundlage des an dem Ersatzreferenzmarkt berechneten und veröffentlichten entsprechenden Kurses für den Basiswert berechnet. Ferner gilt dann jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Referenzmarkt, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Ersatzreferenzmarkt. Die Ersetzung des Referenzmarkts wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

#### § 10 Außerordentliche Kündigung

- (1) Ist nach billigem Ermessen der Berechnungsstelle eine Ermittlung der Kursreferenz, aus welchen Gründen auch immer, nach den Bestimmungen in § 9 der Emissionsbezogenen Bedingungen nicht möglich, so ist die Emittentin berechtigt, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6

in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below. The termination becomes effective on the day of the announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). The termination must occur within one month after the occurrence of the event, which causes a determination of the Underlying Price to be impossible in accordance with these provisions. In the case of a termination, the Issuer shall pay an amount to each Security Holder in respect to each Securities held by him (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as a fair market price of a Security immediately prior to the occurrence of the event, which causes a determination of the Underlying Price to be impossible in accordance with these provisions[, taking into account the remaining time value]. When determining the Termination Amount, the Calculation Agent may, *inter alia*, also take the probability of default of the Issuer based on the credit spreads quoted on the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account.

- (2) The Issuer will cause the transfer of the Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration set out in Section 6 (2) of the Issue Specific Conditions is deemed to be issued automatically.
- (3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees or charges, which are payable by the Security Holder, as aforesaid.]

(Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags außerordentlich zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Kündigung hat innerhalb von einem Monat nach Eintritt des Ereignisses, das dazu führt, dass die Ermittlung der Kursreferenz unmöglich wurde, zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Eintritt des Ereignisses, das dazu führt, dass die Ermittlung der Kursreferenz unmöglich wird, nach Maßgabe dieser Bestimmungen, [unter Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann die Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen.

- (2) Die Emittentin wird bis zu dem [fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung gemäß Absatz (1) gilt die in [§ 6 (2)] [§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.
- (3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß



vorstehendem Satz zu zahlen sind.]

[in case of interest rates as underlying, insert<sup>2</sup>:

Section 8  
Market Disruptions  
(intentionally left blank)

Section 9  
Underlying; Underlying Price; Substitute Interest  
Rate; Substitute Reference  
Market; Adjustments

- (1) The "**Underlying**" corresponds to the Interest Rate specified as the Underlying in Table 2 in the Annex to the Issue Specific Conditions.
- (2) The "**Underlying Price**" corresponds to the rate *per annum* for the Underlying published on the Screen Page on a Calculation Date at or about the Relevant Time. ["**Calculation Dates**" are dates on which the Underlying is usually calculated and published on the Screen Page. "**Calculation Hours**" is the period on a Calculation Date, during which the Underlying is usually calculated and published on the Screen Page.] "**Screen Page**" is the page specified in Table 2 in the Annex to the Issue Specific Conditions of the "**Information Service Provider**" specified in Table 2 in the Annex to the Issue Specific Conditions or any successor screen page of the aforementioned information service provider or a screen of another recognised information service, which is determined by the Issuer in its reasonable discretion. "**Relevant Time**" is the Relevant Time specified in Table 2 in the Annex to the Issue Specific Conditions. If the Calculation Agent cannot determine the Underlying Price as aforementioned, because the Screen Page is not published, or if the Calculation Agent cannot make such determination for any

[im Fall von Zinssätzen als Basiswert einfügen<sup>2</sup>:

§ 8  
Marktstörungen  
(entfällt)

§ 9  
Basiswert; Kursreferenz; Ersatzzinssatz;  
Ersatzreferenzmarkt; Anpassungen

- (1) Der "**Basiswert**" entspricht dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Basiswert angegebenen Zinssatz.
- (2) Die "**Kursreferenz**" entspricht dem zur Maßgeblichen Zeit (oder zeitnah dazu) an einem Berechnungstag für den Basiswert auf der Bildschirmseite veröffentlichten Zinssatz (*per annum*). ["**Berechnungstage**" sind Tage, an denen der Basiswert üblicherweise berechnet und auf der Bildschirmseite veröffentlicht wird. "**Berechnungsstunden**" ist der Zeitraum an einem Berechnungstag, an denen der Basiswert üblicherweise berechnet und auf der Bildschirmseite veröffentlicht wird.] "**Bildschirmseite**" ist die in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen für den Basiswert angegebene Seite des in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen "**Wirtschaftsinformationsdienstes**" oder eine diese ersetzende Bildschirmseite oder einer entsprechenden Bildschirmseite eines anderen anerkannten Wirtschaftsinformationsdienst, die von der Emittentin nach billigem Ermessen bestimmt wird. "**Maßgebliche Zeit**" ist die in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen für

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<sup>2</sup> Not applicable for Product No. 7: Factor Certificates.

<sup>2</sup> Nicht anwendbar für Produkt Nr. 7: Faktor Zertifikate.

other reason, then the Underlying Price for the respective Calculation Period shall be the arithmetic mean [(rounded, if necessary, to the nearest one thousandth of a percentage point, 0.0005 being rounded upwards)] [(rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards)][●] determined by the Calculation Agent of the interest rates which five reference banks selected by the Calculation Agent in conjunction with the Issuer (the "**Reference Banks**"), quote to prime banks at or about the Relevant Time for deposits in the Reference Currency for such Calculation Period. Should two or more of the Reference Banks provide an interest rate, the arithmetic mean shall be calculated as described above on the basis of the interest rates supplied. If less than two Reference Banks provide an interest rate, then the Reference Interest Rate for the respective Calculation Period shall be determined by the Calculation Agent in its reasonable discretion.

den Basiswert angegebene Maßgebliche Zeit. Sollte die Berechnungsstelle die Kursreferenz wie oben beschrieben nicht mehr feststellen können, weil die angegebene Bildschirmseite nicht veröffentlicht wird, oder sollte die Berechnungsstelle diese Feststellung aus sonstigen Gründen nicht treffen können, entspricht die Kursreferenz für die jeweilige Berechnungsperiode dem arithmetischen Mittel [(falls erforderlich aufgerundet auf das nächste tausendstel eines Prozentpunktes, wobei ab 0,0005 aufgerundet wird)] [(falls erforderlich aufgerundet auf das nächste hunderttausendstel eines Prozentpunktes, wobei ab 0,000005 aufgerundet wird)][●], welches von der Berechnungsstelle anhand von Zinssätzen, die fünf von der Berechnungsstelle gemeinsam mit der Emittentin ausgewählte Referenzbanken (die "**Referenzbanken**") gegenüber führenden Banken zur Maßgeblichen Zeit (oder zeitnah dazu) für Einlagen in der Referenzwährung für diese Berechnungsperiode angeben, festgelegt wird. Für den Fall, dass zwei oder mehr der Referenzbanken einen Zinssatz zur Verfügung gestellt haben, wird das arithmetische Mittel wie oben beschrieben anhand der von diesen Referenzbanken zur Verfügung gestellten Zinssätze bestimmt. Für den Fall, dass weniger als zwei der Referenzbanken einen Zinssatz zur Verfügung stellen, wird der Referenzzinssatz von der Berechnungsstelle nach billigem Ermessen festgestellt.

(3) If the Underlying Price of the Underlying is no longer calculated and published on the Screen Page, but by a different person, company, or institution, which the Calculation Agent in its reasonable discretion considers suitable (the "**Substitute Reference Market**"), the Underlying Price will be calculated based on the corresponding rates for the Underlying calculated and published at the Substitute Reference Market. Furthermore, each reference contained in these Terms and Conditions to the Screen Page is deemed, if the context permits it, a reference to the Substitute Reference Market. The replacement of the Screen Page is announced in accordance with Section 6 (Notices) of the General Conditions.

(3) Wird die Kursreferenz des Basiswerts nicht mehr am Referenzmarkt, sondern von einer anderen Person, Gesellschaft oder Institution, die die Berechnungsstelle nach billigem Ermessen für geeignet hält (der "**Ersatzreferenzmarkt**"), berechnet und veröffentlicht, so wird die Kursreferenz auf der Grundlage der an dem Ersatzreferenzmarkt berechneten und veröffentlichten entsprechenden Kurse für den Basiswert berechnet. Ferner gilt dann jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Referenzmarkt, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Ersatzreferenzmarkt. Die Ersetzung des Referenzmarkts wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(4) Changes to the nature and manner of the calculation of the Underlying Price or

(4) Veränderungen in der Art und Weise der Berechnung der Kursreferenz bzw.

other pursuant to these Terms and Conditions relevant rates or prices for the Underlying, including the change of the Calculation Dates and Calculation Hours authoritative for the Underlying, authorize the Calculation Agent to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines the date, taking into account the time of the change, when the adjusted Securities Right is to be used as a basis for the first time. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

anderer gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den Basiswert, einschließlich der Veränderung der für den Basiswert maßgeblichen Berechnungstage und Berechnungsstunden berechtigen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

Section 10  
Extraordinary Termination

- (1) If according to the reasonable discretion of the Calculation Agent, a determination of the Underlying Price in accordance with the provisions in Section 9 of the Issue Specific Conditions is not possible for any reasons whatsoever, the Issuer has the right, to terminate the Securities extraordinarily through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below. The termination becomes effective on the day of the announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). The termination must occur within one month after the occurrence of the event, which causes a determination of the Underlying Price to be impossible in accordance with these provisions. In the case of a termination, the Issuer shall pay an amount to each Security Holder in respect to each Security held by him (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as a fair market price of a Security immediately prior to the occurrence of the event, which causes a determination of the Underlying Price to be impossible in accordance with these provisions[, taking into account the remaining time value]. When determining the Termination Amount, the Calculation Agent may, *inter alia*, also take the

§ 10  
Außerordentliche Kündigung

- (1) Ist nach billigem Ermessen der Berechnungsstelle eine Ermittlung der Kursreferenz, aus welchen Gründen auch immer, nach den Bestimmungen in § 9 der Emissionsbezogenen Bedingungen nicht möglich, so ist die Emittentin berechtigt, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Kündigung hat innerhalb von einem Monat nach Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen eine Festlegung der Kursreferenz nicht möglich ist, zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen eine Festlegung der Kursreferenz nicht möglich ist, [unter Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann die

probability of default of the Issuer based on the credit spreads quoted on the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account.

- (2) The Issuer will cause the transfer of the Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration set out in Section 6 (2) of the Issue Specific Conditions is deemed to be issued automatically.
- (3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees or charges, which are payable by the Security Holder, as aforesaid.]

Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen.

- (2) Die Emittentin wird bis zu dem [fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung gemäß Absatz (1) gilt die in [§ 6 (2)] [§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.
- (3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.]

[in case of commodities as underlying, insert:

[im Fall von Rohstoffen als Basiswert einfügen:

Section 8  
Market Disruptions

§ 8  
Marktstörungen

(1) If a Market Disruption Event (paragraph (2)) exists on the Final Valuation Date, then the Final Valuation Date will be postponed to the next following Calculation Date on which a Market Disruption Event no longer exists. If the Final Valuation Date has been postponed by [five (5)][●] consecutive Calculation Dates in accordance with the provisions of this paragraph and if a Market Disruption Event still exists on that [fifth][●] date, such date shall be deemed to be the Final Valuation Date and the Calculation Agent shall determine the Underlying Price in its reasonable discretion taking into account the market situation existing on the Final Valuation Date and announce it in accordance with Section 6 (Notices) of the General Conditions.

(1) Wenn an dem Finalen Bewertungstag ein Marktstörungsereignis (Absatz (2)) vorliegt, dann wird der Finale Bewertungstag auf den nächstfolgenden Berechnungstag, an dem kein Marktstörungsereignis mehr vorliegt, verschoben. Wenn der Finale Bewertungstag aufgrund der Bestimmungen dieses Absatzes um [fünf (5)][●] hintereinanderliegende Berechnungstage verschoben worden ist und auch an diesem [fünften][●] Tag das Marktstörungsereignis fortbesteht, dann gilt dieser Tag als der Finale Bewertungstag, wobei die Berechnungsstelle die Kursreferenz nach billigem Ermessen unter Berücksichtigung der an dem Finalen Bewertungstag herrschenden Marktgegebenheiten bestimmen und gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekanntmachen wird.

(2) **"Market Disruption Event"** means

- (i) the suspension of material restriction of trading on the Reference Market in general; or
- (ii) the suspension or material restriction of trading or of the price fixing in respect to the Underlying on the Reference Market; or
- (iii) the suspension or material restriction of trading in a futures or option contract in respect to the Underlying on a Related Exchange, where futures or option contracts in respect to the Underlying are traded (the **"Related Exchange"**); or
- (iv) the material change of the price fixing method or trading conditions in respect to the Underlying at the Reference Market (e.g. in the quality, the quantity, or the Reference Currency in respect to the Underlying).

(2) **"Marktstörungsereignis"** bedeutet

- (i) die Suspendierung oder wesentliche Einschränkung des Handels an dem Referenzmarkt allgemein; oder
- (ii) die Suspendierung oder wesentliche Einschränkung des Handels bzw. der Preisfeststellung bezogen auf den Basiswert am Referenzmarkt; oder
- (iii) Die Suspendierung oder wesentliche Einschränkung des Handels in einem Futures- oder Optionskontrakt in Bezug auf den Basiswert an einer Terminbörse, an der Futures- oder Optionskontrakte in Bezug auf den Basiswert gehandelt werden (die **"Terminbörse"**); oder
- (iv) die wesentliche Veränderung in der Methode der Preisfeststellung bzw. in den Handelsbedingungen in Bezug auf den Basiswert am Referenzmarkt (z.B. in der Beschaffenheit, der Menge oder der Referenzwährung in Bezug auf den Basiswert).

A change of the trading hours at the Reference Market is not considered a

Eine Veränderung der Handelszeit am Referenzmarkt gilt nicht als

Market Disruption Event, if the change is announced in advance at the Reference Market.

Marktstörungsereignis, sofern die Veränderung am Referenzmarkt vorher angekündigt wird.

#### Section 9

##### Underlying; Underlying Price; Substitute Reference Market; Adjustments

- (1) The "**Underlying**" corresponds to the commodity specified as Underlying in Table 2 in the Annex to the Issue Specific Conditions.
- (2) The "**Underlying Price**" corresponds to the Underlying Price expressed in the Reference Currency and specified in Table 2 in the Annex to the Issue Specific Conditions, which is determined at the Reference Market specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Reference Market**") and shown on the Screen Page specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Screen Page**") or any page replacing it. If the Screen Page should not be available on the stated date or if the Underlying Price is not shown, the Underlying Price corresponds to the Underlying Price, as it is shown on the corresponding page of another financial information service. If the Underlying Price should no longer be shown in one of the aforementioned manners, the Calculation Agent has the right to determine as Underlying Price a Underlying Price determined in its reasonable discretion based on the market conditions applicable at that time and taking into account the market situation existing at that time. [The "**Observation Price**" of the Underlying corresponds to [the mean prices (arithmetic mean between the respective quoted bid and offer price pairs)][ bid prices][ask prices] for the Underlying, as determined by the Calculation Agent in its reasonable discretion, offered by the Reference Market, and continuously published on the relevant Screen Page for the Reference Market (the "**Barrier Observation Price Screen Page**")][*insert other relevant Observation Price: ●*] expressed in the Reference Currency.] The "**Reference Currency**" corresponds to the Reference Currency specified in Table 2 in the Annex to the Issue Specific Conditions. "**Calculation Dates**" are dates on which prices for the Underlying are usually calculated by the Reference Market and published on the Screen Page. ["**Calculation Hours**" is the period

#### § 9

##### Basiswert; Kursreferenz; Ersatzreferenzmarkt; Anpassungen

- (1) Der "**Basiswert**" entspricht dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen als Basiswert angegebenen Rohstoff.
- (2) Die "**Kursreferenz**" entspricht der in der Referenzwährung ausgedrückten und in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Kursreferenz, die an dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzmarkt (der "**Referenzmarkt**") festgestellt und auf der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Bildschirmseite (die "**Bildschirmseite**") oder einer diese ersetzenden Seite angezeigt wird. Sollte die Bildschirmseite an dem angegebenen Tag nicht zur Verfügung stehen oder wird die Kursreferenz nicht angezeigt, entspricht die Kursreferenz der Kursreferenz, wie sie auf der entsprechenden Seite eines anderen Wirtschaftsinformationsdienstes angezeigt wird. Sollte die Kursreferenz nicht mehr in einer der vorgenannten Arten angezeigt werden, ist die Berechnungsstelle berechtigt, als Kursreferenz eine auf der Basis der dann geltenden Marktusancen und unter Berücksichtigung der dann herrschenden Marktgegebenheiten nach billigem Ermessen ermittelte Kursreferenz festzulegen. [Der "**Beobachtungskurs**" des Basiswerts entspricht den von der Berechnungsstelle nach billigem Ermessen festgestellten, von dem Referenzmarkt angebotenen und auf der für den Referenzmarkt maßgeblichen Bildschirmseite (die "**Bildschirmseite für die Beobachtung des Kurses**") fortlaufend veröffentlichten [Mittelkursen (arithmetisches Mittel zwischen den jeweils quotierten An- und Verkaufspreispaaren)] [Ankaufspreisen] [Verkaufspreisen]][*anderen Beobachtungskurs einfügen: ●*], ausgedrückt in der Referenzwährung.] Die "**Referenzwährung**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.

during Calculation Date, when prices for the Underlying are usually calculated at the Reference Market and published on the Screen Page relevant for the Reference Market.]

(3) If the Underlying Price or other prices relevant pursuant to these Terms and Conditions for the Underlying are no longer calculated and published at the Reference Market, but by a different person, company, or institution, which the Calculation Agent in its reasonable discretion considers suitable (the "**Substitute Reference Market**"), the Cash Amount will be calculated based on the corresponding price for the Underlying calculated and published at the Substitute Reference Market. Furthermore, each reference contained in these Terms and Conditions to the Reference Market is deemed, if the context permits it, a reference to the Substitute Reference Market. The replacement of the Reference Market is announced in accordance with Section 6 (Notices) of the General Conditions.

(4) If the Calculation Agent becomes aware of the occurrence of a Change of Law, the Calculation Agent has the right to make changes or adjustments to the Terms and Conditions in its reasonable discretion, which are necessary so that the performance under the Securities is not unlawful or impracticable according to the applicable law. Such changes or adjustments shall be carried out in a way so that the economic terms of the Securities prior to such changes or adjustments are preserved to the extent possible.

**"Change of Law"** in the sense of this paragraph (4) means

(i) the adoption or change of applicable laws (including tax laws), regulations, or orders occurring or announced after the Issue Date, or

**"Berechnungstage"** sind Tage, an denen Kurse für den Basiswert von dem Referenzmarkt üblicherweise berechnet und auf der Bildschirmseite veröffentlicht werden. [**"Berechnungsstunden"** ist der Zeitraum innerhalb eines Berechnungstages, an denen Kurse für den Basiswert an dem Referenzmarkt üblicherweise berechnet und auf der für den Referenzmarkt maßgeblichen Bildschirmseite veröffentlicht werden.]

(3) Wird die Kursreferenz oder andere nach diesen Zertifikatsbedingungen relevante Kurse für den Basiswert nicht mehr am Referenzmarkt, sondern von einer anderen Person, Gesellschaft oder Institution, die die Berechnungsstelle nach billigem Ermessen für geeignet hält (der "**Ersatzreferenzmarkt**") berechnet und veröffentlicht, so wird der Auszahlungsbetrag auf der Grundlage des an dem Ersatzreferenzmarkt berechneten und veröffentlichten entsprechenden Kurses für den Basiswert berechnet. Ferner gilt dann jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Referenzmarkt, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Ersatzreferenzmarkt. Die Ersetzung des Referenzmarkts wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(4) Sofern die Berechnungsstelle Kenntnis über den Eintritt einer Gesetzesänderung erlangt, ist die Berechnungsstelle berechtigt, nach billigem Ermessen Änderungen oder Anpassungen der Zertifikatsbedingungen vorzunehmen, die erforderlich sind, damit die Erfüllung der Leistungen unter den Wertpapieren nicht nach dem anwendbaren Recht rechtswidrig oder undurchführbar sind. Solche Änderungen oder Anpassungen sind auf eine Art und Weise vorzunehmen, dass soweit wie möglich die wirtschaftlichen Bedingungen der Wertpapiere vor solchen Änderungen oder Anpassungen aufrechterhalten werden.

**"Gesetzesänderung"** im Sinne dieses Absatzes (4) bezeichnet

(i) die am oder nach dem Emissionstag erfolgte oder angekündigte Verabschiedung oder Änderung von anwendbaren Gesetzen (einschließlich Steuergesetzen), Verordnungen oder Anordnungen oder



(ii) the change, cancellation, new interpretation, or promulgation of an interpretation of an applicable law or of an applicable regulation or of any other rule or order by a competent court of law, competent court of arbitration, or a competent supervisory, self-regulating, legislative, or judicial authority (including measures taken by exchanges or trading systems supervised by tax authorities or public authorities) occurring or planned on or after the Issue Date,

(ii) die am oder nach dem Emissionstag erfolgte oder geplante Änderung, Aufhebung, Neuauslegung oder Verkündung einer Auslegung eines anwendbaren Gesetzes bzw. einer anwendbaren Verordnung oder einer sonstigen Regelung oder Anordnung durch ein zuständiges Gericht, ein zuständiges Schiedsgericht oder eine zuständige aufsichtsrechtliche, selbstregulierende, gesetzgebende oder gerichtliche Behörde (einschließlich der von Steuerbehörden oder von Behörden überwachten Börsen oder Handelssystemen ergriffenen Maßnahmen),

if the Calculation Agent determines in its reasonable discretion that as consequence (a) the possession, acquisition, or the disposal of the Underlying has become unlawful or (b) the Calculation Agent incurs significantly higher costs for the fulfilment of its obligations under the Securities (for example due to increased tax obligations, reduced tax benefits, or other negative effects on the tax position).

sofern die Berechnungsstelle nach billigem Ermessen feststellt, dass dadurch (a) der Besitz, Erwerb oder die Veräußerung des Basiswerts rechtswidrig geworden ist bzw. (b) der Berechnungsstelle wesentlich höhere Kosten für die Erfüllung ihrer Verpflichtungen aus den Wertpapieren entstehen (beispielsweise durch erhöhte Steuerpflichten, geminderte steuerliche Vergünstigungen oder sonstige negative Auswirkungen auf die Steuerposition).

(5) Changes to the nature and manner of the calculation of the Underlying Price or of the Initial Price or other pursuant to these Terms and Conditions relevant rates or prices for the Underlying, including the change of the Calculation Dates and Calculation Hours relevant for the Underlying, authorize the Calculation Agent to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines the date, taking into account the time of the change, when the adjusted Securities Right is to be used as a basis for the first time. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

(5) Veränderungen in der Art und Weise der Berechnung der Kursreferenz bzw. des Anfangskurses bzw. anderer gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den Basiswert, einschließlich der Veränderung der für den Basiswert maßgeblichen Berechnungstage und Berechnungsstunden berechtigen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

#### Section 10 Extraordinary Termination

(1) If according to the reasonable discretion of the Calculation Agent, an adjustment of

#### § 10 Außerordentliche Kündigung

(1) Ist nach billigem Ermessen der Berechnungsstelle eine Anpassung des

the Securities Right or the determination of a Substitute Reference Market for the Underlying or the change or adjustment of the Terms and Conditions in the case of a Change of Law (Section 9 (4) of the Issue Specific Conditions) is no longer possible for any reasons whatsoever, the Issuer has the right, to terminate the Securities extraordinarily through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below. The termination becomes effective on the day of the announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). The termination must occur within one month after the occurrence of the event, which causes the Securities Right having to be adjusted or a Substitute Reference Market having to be determined in accordance with these provisions. In the case of a termination, the Issuer shall pay an amount to each Security Holder in respect to each Securities held by it (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as a fair market price of a Security immediately prior to the occurrence of the event, which causes the Securities Right having to be adjusted or a Substitute Reference Market having to be determined in accordance with these provisions[, taking into account the remaining time value]. When determining the Termination Amount, the Calculation Agent may, *inter alia*, also take the probability of default of the Issuer based on the credit spreads quoted on the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account.

(2) The Issuer will cause the transfer of the Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration

Wertpapierrechts oder die Festlegung eines Ersatzreferenzmarkts für den Basiswert bzw. die Änderung oder Anpassung der Zertifikatsbedingungen im Fall einer Gesetzesänderung (§ 9 (4) der Emissionsbezogenen Bedingungen), aus welchen Gründen auch immer, nicht möglich, so ist die Emittentin berechtigt, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Kündigung hat innerhalb von einem Monat nach Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Ersatzreferenzmarkt festgelegt werden muss, zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Ersatzreferenzmarkt festgelegt werden muss, [unter Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann die Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen.

(2) Die Emittentin wird bis zu dem [fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung

referred to in Section 6 (2) of the Issue Specific Conditions is deemed to be issued automatically.

- (3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees, or charges, which are payable by the Security Holder, as aforesaid.]

gemäß Absatz (1) gilt die in [§6 (2)] [§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.

- (3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.]

[in case of futures contracts as underlying, insert:

[im Fall von Futures Kontrakten als Basiswert einfügen:

Section 8  
Market Disruptions

§ 8  
Marktstörungen

(1) If a Market Disruption Event (paragraph (2)) exists on the Final Valuation Date, then the Final Valuation Date will be postponed to the next following Calculation Date on which a Market Disruption Event no longer exists. If the Final Valuation Date has been postponed by [five (5)][●] consecutive Calculation Dates in accordance with the provisions of this paragraph and if a Market Disruption Event still exists on that [fifth][●] date, such date shall be deemed to be the Final Valuation Date and the Calculation Agent shall determine the Underlying Price in its reasonable discretion taking into account the market situation existing on the Final Valuation Date and announce it in accordance with Section 6 (Notices) of the General Conditions.

(1) Wenn an dem Finalen Bewertungstag ein Marktstörungsereignis (Absatz (2)) vorliegt, dann wird der Finale Bewertungstag auf den nächstfolgenden Berechnungstag, an dem kein Marktstörungsereignis mehr vorliegt, verschoben. Wenn der Finale Bewertungstag aufgrund der Bestimmungen dieses Absatzes um [fünf (5)][●] hintereinanderliegende Berechnungstage verschoben worden ist und auch an diesem [fünften][●] Tag das Marktstörungsereignis fortbesteht, dann gilt dieser Tag als der Finale Bewertungstag, wobei die Berechnungsstelle die Kursreferenz nach billigem Ermessen unter Berücksichtigung der an dem Finalen Bewertungstag herrschenden Marktgegebenheiten bestimmen und gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekanntmachen wird.

(2) **"Market Disruption Event"** means

(i) the suspension or restriction of trading or of the price fixing in respect to the Underlying at the Reference Market; or

(ii) the suspension or restriction of trading on the Reference Market in general; or

(iii) the material change of the price fixing method or of the trading conditions in respect to the relevant Futures Contract at the Reference Market (e.g. in the quality, the quantity, or the Reference Currency in respect to the Underlying of the Futures Contract).

(2) **"Marktstörungsereignis"** bedeutet

(i) die Suspendierung oder Einschränkung des Handels bzw. der Preisstellung bezogen auf den Basiswert an dem Referenzmarkt; oder

(ii) die Suspendierung oder Einschränkung des Handels an dem Referenzmarkt allgemein; oder

(iii) die wesentliche Veränderung in der Methode der Preisfeststellung bzw. in den Handelsbedingungen in Bezug auf den jeweiligen Futures Kontrakt am Referenzmarkt (z.B. in der Beschaffenheit, der Menge oder der Referenzwährung in Bezug auf den Basiswert des Futures Kontrakts).

A restriction of the hours or number of days on which trading occurs is not considered a Market Disruption Event, if the restriction is due to a change by the Reference Market that is announced in advance.

Eine Beschränkung der Stunden oder Anzahl der Tage, an denen ein Handel stattfindet, gilt nicht als Marktstörungsereignis, sofern die Einschränkung auf einer vorher angekündigten Änderung des betreffenden Referenzmarkts beruht.

Section 9  
Underlying; Underlying Price; Substitute  
Reference Market; Adjustments

- (1) The "**Underlying**" [at the Initial Reference Date specified in Table 1 in the Annex to the Issue Specific Conditions] corresponds to the Futures Contract specified in Table 2 in the Annex to the Issue Specific Conditions [with the [Initial] Expiration Date specified in Table 2 in the Annex to the Issue Specific Conditions].
- (2) The "**Underlying Price**" corresponds to the [[last] [●]price of the [[Current] Underlying (paragraph ([●]))] [Daily Settlement Price (the "**Settlement Price**")][Underlying Price of the [Current] Underlying specified in Table 2 in the Annex to the Issue Specific Conditions][ expressed in the Reference Currency], which is calculated and published at the Reference Market specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Reference Market**").][The "**Observation Price**" of the [Current] Underlying corresponds to [the prices continuously determined and published for the [Current] Underlying at the Reference Market on Calculation Dates [during the Calculation Hours]][*insert other relevant Observation Price: ●*][ expressed in the Reference Currency.] [The "**Reference Currency**" corresponds to the Reference Currency specified in Table 2 in the Annex to the Issue Specific Conditions.] ["**Calculation Date**" is each date on which a Underlying Price of the Underlying is determined at the Reference Market.] ["**Calculation Dates**" are dates on which the Reference Market is open for trading according to schedule and on which according to the Calculation Agent's assessment none of the following events occurs: (i) a material restriction, discontinuation, or interruption of trading in the Underlying, which, on a day on which such an event occurs or on a subsequent day on which it continues, results in the Reference Market, where the Underlying is traded, not being able to provide a [Settlement Price][Underlying Price] for this Contract; (ii) [the Settlement Price][the Underlying Price] for the Underlying constitutes a "Limit Price", which means that the closing price for the Underlying has increased or decreased on a day compared to the previous day by the permitted maximum amount of the

§ 9  
Basiswert; Kursreferenz; Ersatzreferenzmarkt;  
Anpassungen

- (1) Der "**Basiswert**" am [in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen festgelegten Anfänglichen Referenztag] entspricht dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Futures Kontrakt [mit dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen [Anfänglichen] Verfalltermin].
- (2) Die "**Kursreferenz**" entspricht [dem] [in der Referenzwährung ausgedrückten [[letzten] [●]kurs des [Aktuellen] Basiswerts (Absatz ([●]))] [Daily Settlement Price (der "**Settlement Price**")][der [in der Referenzwährung ausgedrückten] in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Kursreferenz des [Aktuellen] Basiswerts], [der][die] an dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzmarkt (der "**Referenzmarkt**") berechnet und veröffentlicht wird.] [Der "**Beobachtungskurs**" des [Aktuellen] Basiswerts entspricht [den an dem Referenzmarkt an Berechnungstagen [während den Berechnungstagen] für den [Aktuellen] Basiswert fortlaufend festgestellten und veröffentlichten Kursen][*anderen Beobachtungskurs einfügen: ●*][ ausgedrückt in der Referenzwährung].] [Die "**Referenzwährung**" entspricht der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Referenzwährung.] ["**Berechnungstag**" ist jeder Tag, an dem am Referenzmarkt eine Kursreferenz des Basiswerts festgestellt wird.] ["**Berechnungstage**" sind Tage, an denen der Referenzmarkt planmäßig für den Handel geöffnet ist und an denen nach Einschätzung der Berechnungsstelle keines der nachfolgenden Ereignisse eintritt: (i) eine wesentliche Einschränkung, Einstellung oder Unterbrechung des Handels im Basiswert, die an einem Tag, an dem ein solches Ereignis eintritt oder an einem Folgetag, an dem dieses fortbesteht, dazu führt, dass der Referenzmarkt, an denen der Basiswert gehandelt wird, nicht in der Lage ist, [einen Settlement Price][eine Kursreferenz] für diesen Kontrakt zu

closing price of the previous day according to the rules of the Reference Market; or (iii) the Reference Market is unable to announce or publish [the Settlement Price][the Underlying Price].] ["**Calculation Hours**"] is the period [within a Calculation Date when the [Current] Underlying is usually traded on the Reference Market][●].]

- (3) If the Underlying Price for the [Current] Underlying is no longer calculated and published at the Reference Market, but by a different person, company, or institution, which the Calculation Agent in its reasonable discretion considers suitable (the "**Substitute Reference Market**"), the Cash Amount will be calculated based on the [●] price of the [Current] Underlying calculated and published at the Substitute Reference Market. Furthermore, each reference contained in these Terms and Conditions to the Reference Market is then deemed, if the context permits it, a reference to the Substitute Reference Market. The replacement of the Reference Market is announced in accordance with Section 6 (Notices) of the General Conditions.

*[if Rollover is applicable, insert:*

- (4) The Current Underlying is subsequently replaced on each Rollover Date (paragraph (5)) with the Futures Contract with the Expiration Date specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Rollover**"), which lies nearest to the respective next Relevant [Expiration Months][Months] specified in Table 2 in the Annex to the Issue Specific Conditions (the "**Relevant [Expiration Months][Months]**"). If according to the reasonable discretion of the Calculation Agent, no Futures Contract with contract characteristics equal to those of the Current Underlying to be replaced should exist at that time, Section 9 (1) of the Issue Specific Conditions shall apply accordingly. The Calculation Agent furthermore has the right to adjust the Relevant [Expiration Months][Months] in

stellen; (ii) [der Settlement Price][die Kursreferenz] für den Basiswert einen "Limit Price" darstellt, was bedeutet, dass der Schlusskurs für den Basiswert an einem Tag gegenüber dem Vortag gemäß den Regeln des Referenzmarkts um den zulässigen Maximalbetrag des Schlusskurses des vorhergehenden Tages gestiegen oder gefallen ist; oder (iii) der Referenzmarkt nicht in der Lage ist, [den Settlement Price][die Kursreferenz] bekannt zu machen oder zu veröffentlichen.] ["**Berechnungsstunden**"] ist der Zeitraum [innerhalb eines Berechnungstags, an denen der [Aktuelle] Basiswert an dem Referenzmarkt üblicherweise gehandelt wird][●].]

- (3) Wird die Kursreferenz für den [Aktuellen] Basiswert nicht mehr an dem Referenzmarkt, sondern von einer anderen Person, Gesellschaft oder Institution, die die Berechnungsstelle nach billigem Ermessen für geeignet hält (der "**Ersatzreferenzmarkt**") berechnet und veröffentlicht, so wird der Zahlungsbetrag auf der Grundlage des an dem Ersatzreferenzmarkt berechneten und veröffentlichten [●] Kurses des [Aktuellen] Basiswerts berechnet. Ferner gilt dann jede in diesen Zertifikatsbedingungen enthaltene Bezugnahme auf den Referenzmarkt, sofern es der Zusammenhang erlaubt, als Bezugnahme auf den Ersatzreferenzmarkt. Die Ersetzung des Referenzmarkts wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

*[sofern Rollover anwendbar ist, einfügen:*

- (4) Der Aktuelle Basiswert wird nachfolgend an jedem Rollovertag (Absatz (5)) durch den in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Futures Kontrakt mit dem Verfalltermin ersetzt (der "**Rollover**"), der in dem jeweils zeitlich nächsten der in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen maßgeblichen [Verfallsmonate][Monate] (die "**Maßgeblichen [Verfallsmonate][Monate]**") liegt. Sollte zu diesem Zeitpunkt nach billigem Ermessen der Berechnungsstelle kein Futures Kontrakt existieren, dessen zugrunde liegenden Bedingungen oder maßgeblichen Kontrakteigenschaften mit denen des Aktuellen Basiswerts übereinstimmen, gilt § 9 (1) der

case of a change of the authoritative rules of the Reference Market concerning [Expiration Dates][●]. Any such adjustment is announced in accordance with Section 6 (Notices) of the General Conditions.

(5) The "**Rollover Date**" corresponds in each case [to the Rollover Date specified in Table 2 in the Annex to the Issue Specific Conditions][a Calculation Date determined by the Calculation Agent in its reasonable discretion prior to the [Expiration Date][●] that is relevant for the Current Underlying, however, at the earliest to the [●] Calculation Date prior to the [Expiration Date][●] that is relevant for the Current Underlying]. If according to the reasonable discretion of the Calculation Agent, insufficient liquidity in the Underlying or a comparable unusual market situation should exist on a Rollover Date at the Reference Market, the Calculation Agent has the right to determine a different Calculation Date as the Rollover Date. The Calculation Agent furthermore has the right, through an announcement in accordance with Section 6 (Notices) of the General Conditions stating the calendar day on which the change becomes effective and subject to a prior notice period of at least one month, to determine a Rollover Date differing from Table 2 in the Annex to the Issue Specific Conditions in its reasonable discretion. This is particularly the case when the rules affecting the determination of the Rollover Date are changed at the Reference Market.

(6) The Current Multiplier will be adjusted on the Rollover Date by dividing the Roll Over Price for the Current Underlying on the Rollover Date ("**Roll Over Price<sub>old</sub>**") minus the transaction fee ("**TF**") by the Roll Over Price for the Current Underlying after the Rollover Date ("**Roll Over Price<sub>new</sub>**") plus the Transaction Fee and the result multiplied by the old Multiplier ("**Multiplier<sub>old</sub>**"). The adjusted Multiplier ("**Multiplier<sub>new</sub>**") is thus calculated as follows:

$$\text{Multiplier}_{\text{new}} = \text{Multiplier}_{\text{old}} \times ((\text{Roll Over Price}_{\text{old}} - \text{TF}) / (\text{Roll Over Price}_{\text{new}} + \text{TF}))$$

Emissionsbezogenen Bedingungen entsprechend. Die Berechnungsstelle ist ferner berechtigt, die Maßgeblichen [Verfallsmonate][Monate] bei einer Änderung der für den Referenzmarkt hinsichtlich der [Verfallstermine][●] maßgeblichen Regularien anzupassen. Eine solche Anpassung wird gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(5) Der "**Rollovertag**" entspricht jeweils [dem in der Tabelle 2 im Annex der Emissionsbezogenen Bedingungen angegebenen Rollovertag][einem von der Berechnungsstelle nach billigem Ermessen bestimmten Berechnungstag vor dem für den Aktuellen Basiswert maßgeblichen [Verfallstermin][●], frühestens aber dem [●]. Berechnungstag vor dem für den Aktuellen Basiswert maßgeblichen [Verfallstermin][●]]. Sollte an einem Rollovertag nach billigem Ermessen der Berechnungsstelle am Referenzmarkt mangelnde Liquidität im Basiswert oder eine vergleichbare ungewöhnliche Marktsituation bestehen, ist die Berechnungsstelle berechtigt, einen anderen Berechnungstag als Rollovertag festzulegen. Die Berechnungsstelle ist ferner berechtigt, durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des Kalendertags, zu dem die Änderung wirksam wird, und unter Wahrung einer Frist von mindestens einem Monat einen von Tabelle 2 im Annex der Emissionsbezogenen Bedingungen abweichenden Rollovertag nach billigem Ermessen festzulegen. Dies gilt insbesondere dann, wenn an dem Referenzmarkt die Regularien, die Einfluss auf die Festlegung des Rollovertags haben, geändert werden.

(6) Das Aktuelle Bezugsverhältnis wird am Rollovertag angepasst, indem der Rolloverkurs für den am Rollovertag Aktuellen Basiswert ("**Rolloverkurs<sub>alt</sub>**") abzüglich der Transaktionsgebühr ("**TG**") durch den Rolloverkurs für den nach dem Rollovertag Aktuellen Basiswert ("**Rolloverkurs<sub>neu</sub>**") zuzüglich der Transaktionsgebühr dividiert und dieses Ergebnis mit dem alten Bezugsverhältnis ("**Bezugsverhältnis<sub>alt</sub>**") multipliziert wird. Das angepasste Bezugsverhältnis ("**Bezugsverhältnis<sub>neu</sub>**") berechnet sich demnach wie folgt:

$$\text{Bezugsverhältnis}_{\text{neu}} = \text{Bezugsverhältnis}_{\text{alt}} \times ((\text{Rolloverkurs}_{\text{alt}} - \text{TG}) / (\text{Rolloverkurs}_{\text{neu}} + \text{TG}))$$

TG))

The adjusted Multiplier will be commercially rounded to [two][●] decimal places, as the case may be.

Das angepasste Bezugsverhältnis wird gegebenenfalls auf [zwei][●] Nachkommastellen kaufmännisch gerundet.

(7) The "**Roll Over Price**" is calculated and determined by the Calculation Agent in its reasonable discretion based on the Roll Over Underlying Prices (as defined below) during the last [three (3)][●] scheduled trading hours prior to the time when the Underlying Price is usually calculated at the Reference Market. The Calculation Agent has the right in each case to adjust the relevant time window for the calculation and determination of the Roll Over Price for all Futures Contracts in its reasonable discretion (for example, if the trading hours at the Reference Market change) through an announcement in accordance with Section 6 (Notices) of the General Conditions stating the calendar day on which the change becomes effective and subject to a prior notice period of at least one month, and the time window will not exceed [three (3)][●] hours in the case of such an adjustment. The "**Roll Over Underlying Prices**" correspond to the prices for the Underlying (including the official closing price) determined and published on the Rollover Date at the Reference Market. The "**Transaction Fee**" is determined by the Calculation Agent based on the Transaction Fee specified in Table 1 in the Annex to the Issue Specific Conditions for one unit of the Underlying in the Reference Currency and the number of units of the Underlying required for implementing the Rollover. The Transaction Fee initially corresponds to the initial transaction fee specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Initial Transaction Fee**"). The Calculation Agent is entitled to determine the Transaction Fee up to the level of the maximum transaction fee specified in Table 1 in the Annex to the Issue Specific Conditions (the "**Maximum Transaction Fee**"). The adjustment of the Transaction Fee and the day on which the adjustment becomes effective are published in accordance with Section 6 (Notices) of the General Conditions.

(7) Der "**Rolloverkurs**" wird von der Berechnungsstelle nach billigem Ermessen auf Grundlage der Rollover Kursreferenzen (wie nachfolgend definiert) während der letzten [drei (3)][●] vorgesehenen Handelsstunden vor dem Zeitpunkt, an dem die Kursreferenz üblicherweise an dem Referenzmarkt berechnet wird, ermittelt und festgestellt. Die Berechnungsstelle ist jeweils berechtigt, durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des Kalendertags, zu dem die Änderung wirksam wird, und unter Wahrung einer Frist von mindestens einem Monat für alle Futures Kontrakte das für die Ermittlung und Feststellung des Rolloverkurses maßgebliche Zeitfenster nach billigem Ermessen anzupassen (beispielsweise im Falle einer Änderung der Handelszeiten an dem Referenzmarkt), wobei das Zeitfenster im Fall einer solchen Anpassung [drei (3)][●] Stunden nicht überschreiten wird. Die "**Rollover Kursreferenzen**" entsprechen den am Referenzmarkt am Rollovertag festgestellten und veröffentlichten Kursen für den Basiswert (einschließlich des offiziellen Schlusskurses). Die "**Transaktionsgebühr**" wird von der Berechnungsstelle auf Grundlage der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen für eine Einheit des Basiswerts in der Referenzwährung festgelegten Transaktionsgebühr und der für die Durchführung des Rollover notwendigen Anzahl der Einheiten des Basiswerts ermittelt. Die Transaktionsgebühr entspricht anfänglich der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Anfänglichen Transaktionsgebühr (die "**Anfängliche Transaktionsgebühr**"). Die Berechnungsstelle ist berechtigt, die Transaktionsgebühr bis zur Höhe der in der Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegebenen Maximalen Transaktionsgebühr (die "**Maximale Transaktionsgebühr**") festzulegen. Die Anpassung der Transaktionsgebühr und der Tag des Wirksamwerdens der Anpassung werden gemäß § 6



(8) Each reference in these Terms and Conditions to the Underlying at the respective stated point in time "**Current Underlying**" is deemed a reference to the Underlying with the Expiration Date that is relevant after implementing all Rollovers from the [Initial Reference Date][●] until the stated point in time pursuant to the above rules.

(9) If the Final Valuation Date in the sense of these Terms and Conditions falls on a Rollover Date pursuant to the above definition, the Cash Amount (Section 2 (1) of the Issue Specific Conditions) shall be determined based on the Roll Over Price for the Current Underlying on the Rollover Date prior to the Rollover and based on the Current Multiplier pursuant to paragraph (6) on the Rollover Date prior to the adjustment.]

[(4)][(10)] In case of changes of conditions and/or relevant Contract characteristics underlying the Underlying as well as in the case of a replacement of the Underlying with another Futures Contract determined and exchange-listed by the Reference Market and, if applicable, also modified [●] (the "**Successor Value**"), the Calculation Agent reserves the right to replace the Underlying, if applicable, multiplied, if necessary, with an adjustment factor, in order to ensure the continuity of the development of the reference value(s) underlying the Securities. The replacement of the Underlying with the Successor Value, if applicable, with additional changes to these Terms and Conditions, occurs in the reasonable discretion of the Calculation Agent. The replacement with a Successor Value, the then effective, if applicable, changed Securities Right (together with the inclusion of an adjustment factor, if any), as well as the time when the replacement becomes effective are published in accordance with Section 6 (Notices) of the General Conditions.

[(5)][(11)] Changes to the nature and manner of the calculation of the Underlying Price [or of the Initial Price] or

(Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

(8) Jede Bezugnahme in diesen Zertifikatsbedingungen auf den zu dem jeweils angegebenen Zeitpunkt "**Aktuellen Basiswert**" gilt als Bezugnahme auf den Basiswert mit dem nach Durchführung aller Rollover vom [Anfänglichen Referenztag][●] bis zu dem am angegebenen Zeitpunkt gemäß den vorstehenden Regelungen maßgeblichen Verfalltermin.

(9) Fällt der Finale Bewertungstag im Sinne dieser Zertifikatsbedingungen auf einen Rollovertag gemäß der vorstehenden Definition, wird der Auszahlungsbetrag (§ 2 (1) der Emissionsbezogenen Bedingungen) auf Grundlage des Rolloverkurses für den am Rollovertag vor dem Rollover Aktuellen Basiswert und auf Grundlage des am Rollovertag vor der Anpassung gültigen Aktuellen Bezugsverhältnisses gemäß Absatz (6) ermittelt.]

[(4)][(10)] Bei Veränderungen der dem Basiswert zugrunde liegenden Bedingungen und/oder maßgeblichen Kontrakteigenschaften sowie im Fall der Ersetzung des Basiswerts durch einen anderen von dem Referenzmarkt bestimmten und börsennotierten, gegebenenfalls auch modifizierten [●] Futures Kontrakt (der "**Nachfolgewert**"), behält sich die Berechnungsstelle das Recht vor, den Basiswert zu ersetzen, gegebenenfalls multipliziert, falls erforderlich, mit einem Bereinigungsfaktor, um die Kontinuität der Entwicklung der den Wertpapieren zugrunde liegenden Bezugsgröße(n) sicherzustellen. Die Ersetzung des Basiswerts durch den Nachfolgewert, gegebenenfalls unter weiteren Änderungen dieser Zertifikatsbedingungen, erfolgt nach billigem Ermessen der Berechnungsstelle. Die Ersetzung durch einen Nachfolgewert, das dann geltende, gegebenenfalls geänderte Wertpapierrecht (einschließlich der etwaigen Aufnahme eines Bereinigungsfaktors) sowie der Zeitpunkt der Wirksamkeit der Ersetzung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

[(5)][(11)] Veränderungen in der Art und Weise der Berechnung der Kursreferenz [bzw. des Anfangskurses] bzw. anderer

other pursuant to these Terms and Conditions authoritative rates or prices for the Underlying, including the change of the Calculation Dates and Calculation Hours authoritative for the Underlying, authorize the Calculation Agent to adjust the Securities Right accordingly in its reasonable discretion. The Calculation Agent determines, taking into account the time of the change, the date on which the adjusted Securities Right is to be applied for the first time. The adjusted Securities Right as well as the time of its first application will be published in accordance with Section 6 (Notices) of the General Conditions.

Section 10  
Extraordinary Termination

- (1) If according to the reasonable discretion of the Calculation Agent an adjustment of the Securities Right, the determination of a Substitute Reference Market, is no longer possible for any reasons whatsoever, the Issuer has the right, to terminate the Securities extraordinarily through an announcement in accordance with Section 6 (Notices) of the General Conditions, stating the Termination Amount defined below. The termination becomes effective on the day of the announcement in accordance with Section 6 (Notices) of the General Conditions or on the date specified in the announcement in accordance with Section 6 (Notices) of the General Conditions (the "**Termination Date**"). The termination must occur within one month after the occurrence of the event, which causes the Securities Right having to be adjusted or a Substitute Reference Market having to be determined in accordance with these provisions. In the case of a termination, the Issuer shall pay an amount to each Security Holder in respect to each Security held by it (the "**Termination Amount**"), which is determined by the Calculation Agent in its reasonable discretion as a fair market price of a Security immediately prior to the occurrence of the event, which causes the Securities Right having to be adjusted or a Substitute Reference Market having to be determined in accordance with these provisions[, taking into account the remaining time value]. When determining the Termination

gemäß diesen Zertifikatsbedingungen maßgeblicher Kurse oder Preise für den Basiswert, einschließlich der Veränderung der für den Basiswert maßgeblichen Berechnungstage und Berechnungsstunden berechtigen die Berechnungsstelle, das Wertpapierrecht nach billigem Ermessen entsprechend anzupassen. Die Berechnungsstelle bestimmt unter Berücksichtigung des Zeitpunkts der Veränderung den Tag, zu dem das angepasste Wertpapierrecht erstmals zugrunde zu legen ist. Das angepasste Wertpapierrecht sowie der Zeitpunkt seiner erstmaligen Anwendung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

§ 10  
Außerordentliche Kündigung

- (1) Ist nach billigem Ermessen der Berechnungsstelle eine Anpassung des Wertpapierrechts, die Festlegung eines Ersatzreferenzmarkts oder eines Nachfolgewerts, aus welchen Gründen auch immer, nicht möglich, so ist die Emittentin berechtigt, die Wertpapiere außerordentlich durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen unter Angabe des nachstehend definierten Kündigungsbetrags zu kündigen. Die Kündigung wird an dem Tag der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bzw. zu dem in der Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bestimmten Tag wirksam (der "**Kündigungstermin**"). Die Kündigung hat innerhalb von einem Monat nach Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Ersatzreferenzmarkt festgelegt werden muss, zu erfolgen. Im Fall einer Kündigung zahlt die Emittentin an jeden Wertpapierinhaber bezüglich jedes von ihm gehaltenen Wertpapiers einen Betrag (der "**Kündigungsbetrag**"), der von der Berechnungsstelle nach billigem Ermessen als angemessener Marktpreis eines Wertpapiers unmittelbar vor Eintritt des Ereignisses, das dazu führt, dass nach Maßgabe dieser Bestimmungen das Wertpapierrecht angepasst oder ein Ersatzreferenzmarkt festgelegt werden muss, [unter

Amount, the Calculation Agent may, *inter alia*, also take the probability of default of the Issuer based on the credit spreads quoted on the market or on the yields of Bonds of the Issuer that are traded with sufficient liquidity at the time of determining the Termination Amount into account.

- (2) The Issuer will cause the transfer of the Termination Amount to the Clearing System (Section 2 (1) of the General Conditions) for credit to the accounts of the depositors of the Securities with the Clearing System by the [fifth (5th)][●] Business Day after the Termination Date. In the case of an extraordinary termination pursuant to paragraph (1), the declaration referred to in Section 6 (2) of the Issue Specific Conditions is deemed issued automatically.
- (3) All taxes, fees or other charges arising in connection with the payment of the Termination Amount shall be borne and paid by the Security Holder. The Issuer or the Paying Agent has the right to withhold from the Termination Amount any taxes, fees, or charges, which are payable by the Security Holder, as aforesaid]

Berücksichtigung des verbleibenden Zeitwerts] festgelegt wird. Bei der Bestimmung des Kündigungsbetrags kann die Berechnungsstelle unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin anhand der am Markt quotierten *Credit Spreads* oder der Renditen hinreichend liquide gehandelter Anleihen der Emittentin zum Zeitpunkt der Bestimmung des Kündigungsbetrags berücksichtigen.

- (2) Die Emittentin wird bis zu dem [fünften][●] Bankgeschäftstag nach dem Kündigungstermin die Überweisung des Kündigungsbetrags an das Clearing-System (§ 2 (1) der Allgemeinen Bedingungen) zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bei dem Clearing-System veranlassen. Im Fall einer außerordentlichen Kündigung gemäß Absatz (1) gilt die in [§ 6 (2)] [§ 4 (3)(a)(iv)] der Emissionsbezogenen Bedingungen erwähnte Erklärung als automatisch abgegeben.
- (3) Alle im Zusammenhang mit der Zahlung des Kündigungsbetrags anfallenden Steuern, Gebühren oder anderen Abgaben sind von dem Wertpapierinhaber zu tragen und zu zahlen. Die Emittentin bzw. die Zahlstelle ist berechtigt, von dem Kündigungsbetrag etwaige Steuern, Gebühren oder Abgaben einzubehalten, die von dem Wertpapierinhaber gemäß vorstehendem Satz zu zahlen sind.]

## 4.2 General Conditions

### General Conditions

#### Section 1 Status

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer, which rank *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, save for those obligations that have priority according to mandatory law.

#### Section 2 Clearing System; Form

- (1) The Securities shall be represented entirely by a global note pursuant to para. 24 lit b of the Austrian Depository Act, Federal Law Gazette No. 424/1969 as amended, which shall bear the signature of two persons authorised by the Issuer (the "**Global Note**").

The Global Note shall be deposited with Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Vienna, Austria (the "**Securities Depository**") for the clearing system Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Vienna, Austria, and/or the Issuer and/or any other agreed depository for any other clearing system (the "**Clearing System**").

The Securities shall be transferable in accordance with applicable laws and regulations.

- (2) No single Securities will be issued. The Issuer shall not be liable to issue definitive securities, save where mandatorily required by applicable statute or the regulations of the Clearing System.

#### Section 3 Calculation Agent and Paying Agent

- (1) Erste Group Bank AG, Graben 21, 1010 Vienna, Austria is acting as calculation agent (the "**Calculation**

### Allgemeine Bedingungen

#### § 1 Status

Die Wertpapiere begründen unmittelbare, unbesicherte und nicht nachrangige Verbindlichkeiten der Emittentin und haben untereinander und mit allen sonstigen gegenwärtigen und künftigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin den gleichen Rang, ausgenommen solche Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Vorschriften Vorrang zukommt.

#### § 2 Clearing-System; Form

- (1) Die Wertpapiere werden zur Gänze in einer Sammelurkunde gemäß § 24 lit. b Depotgesetz, BGBl. Nr. 424/1969, in der jeweils gültigen Fassung dargestellt, welche die Unterschrift zweier unterschriftsberechtigter Personen der Emittentin tragen (die "**Sammelurkunde**").

Die Sammelurkunde wird bei der Österreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Wien, Österreich (die "**Verwahrstelle**") für das Clearing-System Österreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Wien, Österreich, und/oder der Emittentin und/oder jeder anderen vereinbarten Verwahrstelle für jedes andere Clearing-System (das "**Clearing-System**") hinterlegt.

Die Wertpapiere sind gemäß den anwendbaren Gesetzen und Regelungen übertragbar.

- (2) Es werden keine Einzelurkunden ausgegeben. Ein Anspruch auf Ausfolgung von effektiven Stücken besteht nicht, ausgenommen soweit gesetzlich oder gemäß den Regeln des Clearing-Systems zwingend vorgeschrieben.

#### § 3 Berechnungsstelle und Zahlstelle

- (1) Erste Group Bank AG, Graben 21, 1010 Wien, Österreich ist die Berechnungsstelle (die

**Agent")** and paying agent (the "**Paying Agent**") (each an "**Agent**", together the "**Agents**"). The Issuer has the right at any time to replace an Agent with a different bank or – to the extent that permitted by law – with a financial services institution with registered seat in one of the member states of the European Union, to appoint one or several additional Agents and to revoke their appointment. The replacement, appointment, and revocation will be announced in accordance with Section 6 (Notices) of the General Conditions.

- (2) Each Agent has the right at all times to resign from its office as Agent. The resignation becomes effective only upon appointment of a different bank or – to the extent that permitted by law – a financial services institution with registered seat in one of the member states of the European Union as successor of the respective Agent. Resignation and appointment are announced in accordance with Section 6 (Notices) of these General Conditions.
- (3) Each Agent acts exclusively as vicarious agent of the Issuer and has no duties whatsoever towards the Security Holders.
- (4) Neither the Issuer nor any Agent is required to verify the authorisation of those submitting Securities.

Section 4  
Further Issues; Purchases and  
Cancellation

- (1) The Issuer shall be entitled to issue at any time further Securities with the same conditions which may be consolidated with the Securities and which together shall form a single series of Securities, increasing their number. The term "Securities" shall in case of such further issues include such additional Securities.
- (2) The Issuer shall be entitled to repurchase at any time Securities at and/or outside of an exchange at any price. The Issuer shall not be liable to notify the Security Holders of such repurchase. The repurchased Securities may be cancelled, held, sold or used by the Issuer in any other way.

**"Berechnungsstelle")** und die Zahlstelle (die "**Zahlstelle**") (jeweils die "**Beauftragte**", zusammen die "**Beauftragten**"). Die Emittentin ist berechtigt, jederzeit die Beauftragten durch eine andere Bank oder – soweit gesetzlich zulässig – durch ein Finanzdienstleistungsinstitut mit Sitz in einem der Mitgliedstaaten der Europäischen Union zu ersetzen, eine oder mehrere zusätzliche Beauftragte zu bestellen und deren Bestellung zu widerrufen. Ersetzung, Bestellung und Widerruf werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

- (2) Jede Beauftragte ist berechtigt, jederzeit ihr Amt als Beauftragte niederzulegen. Die Niederlegung wird nur wirksam mit der Bestellung einer anderen Bank oder – soweit gesetzlich zulässig – durch ein Finanzdienstleistungsinstitut mit Sitz in einem der Mitgliedstaaten der Europäischen Union zur Beauftragten durch die Emittentin. Niederlegung und Bestellung werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.
- (3) Jede Beauftragte handelt ausschließlich als Erfüllungsgehilfe der Emittentin und hat keinerlei Pflichten gegenüber den Wertpapierinhabern.
- (4) Weder die Emittentin noch die Beauftragten sind verpflichtet, die Berechtigung der Einreicher von Wertpapieren zu prüfen.

§ 4  
Aufstockungen; Rückkauf und  
Entwertung

- (1) Die Emittentin ist berechtigt, jederzeit weitere Wertpapiere mit gleicher Ausstattung zu begeben, sodass sie mit den Wertpapieren zusammengefasst werden, eine einheitliche Emission mit ihnen bilden und ihre Anzahl erhöhen. Der Begriff "Wertpapier" umfasst im Fall einer solchen Aufstockung auch solche zusätzlich begebenen Wertpapiere.
- (2) Die Emittentin ist berechtigt, jederzeit Wertpapiere über die Börse oder durch außerbörsliche Geschäfte zu einem beliebigen Preis zurück zu erwerben. Die Emittentin ist nicht verpflichtet, die Wertpapierinhaber davon zu unterrichten. Die zurückerworbenen Wertpapiere können entwertet, gehalten,

weiterveräußert oder von der Emittentin in anderer Weise verwendet werden.

Section 5  
Binding Determinations; Amendments to Terms and Conditions; Termination in the case of errors

- (1) Determinations, calculations and other decisions of the Issuer shall, in the absence of manifest error, be binding on all involved parties.
- (2) The Issuer has the right and, if the amendment is advantageous for the Security Holder, the obligation after becoming aware of obvious spelling and calculation errors in these Terms and Conditions to amend these without the consent of the Security Holders in the Tables as contained in the Issue Specific Conditions as well as in the provisions regarding the determination of the Cash Amount. An error is obvious if it is recognizable for an investor, who has competent knowledge about the relevant type of Securities, particularly taking into account the Initial Issue Price and the other value-determining factors of the Securities. In order to determine the obviousness and the relevant understanding of a knowledgeable investor, the Issuer may involve an independent expert. Corrections to these Conditions are published in accordance with Section 6 (Notices) of these General Conditions.
- (3) The Issuer has the right to amend any contradictory provisions in these Terms and Conditions without the consent of the Security Holders. The change may only serve to clear up the contradiction and not lead to any other changes to the Terms and Conditions. Furthermore, the Issuer has the right to supplement provisions containing gaps in these Terms and Conditions without the consent of the Security Holders. The supplementation may serve only to fill the gap in the provision and may not lead to any other changes to the Terms and Conditions. Changes pursuant to sentence 1 and supplementations pursuant to sentence 3 are permitted only, if they are reasonable for the Security Holder taking into account the economic purpose of the Terms and

§ 5  
Bindende Festlegungen; Korrektur der Zertifikatsbedingungen; Kündigung im Fall von Irrtümern

- (1) Festlegungen, Berechnungen oder sonstige Entscheidungen der Emittentin sind, sofern kein offensichtlicher Fehler vorliegt, für alle Beteiligten bindend.
- (2) Die Emittentin ist berechtigt, und im Fall, dass die Berichtigung für den Wertpapierinhaber vorteilhaft ist, nach Kenntniserlangung verpflichtet, in diesen Zertifikatsbedingungen ohne Zustimmung der Wertpapierinhaber offensichtliche Schreib- und Rechenfehler in den Tabellen der Emissionsbezogenen Bedingungen sowie in den Vorschriften zur Ermittlung des Auszahlungsbetrags zu berichtigen. Ein Fehler ist dann offensichtlich, wenn er für einen Anleger, der hinsichtlich der jeweiligen Art von Wertpapieren sachkundig ist, insbesondere unter Berücksichtigung des anfänglichen Ausgabepreises und der weiteren wertbestimmenden Faktoren des Wertpapiers erkennbar ist. Zur Feststellung der Offensichtlichkeit und des für die Berichtigung maßgeblichen Verständnisses eines sachkundigen Anlegers kann die Emittentin einen Sachverständigen hinzuziehen. Berichtigungen dieser Zertifikatsbedingungen werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.
- (3) Die Emittentin ist berechtigt, in diesen Zertifikatsbedingungen ohne Zustimmung der Wertpapierinhaber widersprüchliche Bestimmungen zu ändern. Die Änderung darf nur der Auflösung des Widerspruchs dienen und keine sonstigen Änderungen der Zertifikatsbedingungen zur Folge haben. Die Emittentin ist zudem berechtigt, in diesen Zertifikatsbedingungen ohne Zustimmung der Wertpapierinhaber lückenhafte Bestimmungen zu ergänzen. Die Ergänzung darf nur der Ausfüllung der Lücke dienen und keine sonstigen Änderungen der Zertifikatsbedingungen zur Folge haben. Änderungen gemäß Satz 1 und Ergänzungen gemäß Satz 3 sind nur zulässig, sofern sie unter Berücksichtigung des wirtschaftlichen Zwecks der Zertifikatsbedingungen für den

Conditions, particularly if they do not have a material adverse effect on the interests of the Security Holders. Changes or supplementations of these Terms and Conditions are published in accordance with Section 6 (Notices) of these General Conditions.

- (4) In the case of an amendment pursuant to paragraph (2) or change or supplementation pursuant to paragraph (3), the Security Holder may terminate the Securities within four weeks after the notification of the correction or change or supplementation with immediate effect by written termination notice to the Paying Agent, if as a consequence of the correction or change or supplementation, the content or scope of the Issuer's performance obligation changes in a manner that is not foreseeable for the Security Holder and detrimental for it. The Issuer will inform the Security Holder in the notification pursuant to paragraph (2) or paragraph (3) about the potential termination right including the election right of the Security Holder regarding the Termination Amount. Termination date for purposes of this paragraph (4) (the "**Correction Termination Date**") is the date on which the Paying Agent receives the termination notice. An effective exercise of the termination by the Security Holder requires receipt of a termination statement signed with legally-binding effect, which contains the following information: (i) name of the Security Holder, (ii) designation and number of Securities to be terminated, and (iii) designation of a suitable bank account to which the Termination Amount is to be credited.
- (5) To the extent that a correction pursuant to paragraph (2) or change or supplementation pursuant to paragraph (3) is out of the question, both the Issuer and each Security Holder may terminate the Securities, if the preconditions of a contestation in accordance with Section 871 *et seq.* Austrian General Civil Code (ABGB) exist vis-à-vis the respective Security Holders or vis-à-vis the Issuer. The Issuer may terminate the Securities in their entirety, but not partially, through a notice in accordance with Section 6 (Notices) of

Wertpapierinhaber zumutbar sind, insbesondere wenn sie die Interessen der Wertpapierinhaber nicht wesentlich nachteilig beeinträchtigen. Änderungen bzw. Ergänzungen dieser Zertifikatsbedingungen werden gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen bekannt gemacht.

- (4) Im Fall einer Berichtigung gemäß Absatz (2) oder Änderung bzw. Ergänzung gemäß Absatz (3), kann der Wertpapierinhaber die Wertpapiere innerhalb von vier Wochen nach Bekanntgabe der Berichtigung oder Änderung bzw. Ergänzung mit sofortiger Wirkung durch schriftliche Kündigungserklärung gegenüber der Zahlstelle kündigen, sofern sich durch die Berichtigung oder Änderung bzw. Ergänzung der Inhalt oder Umfang der Leistungspflichten der Emittentin in einer für den Wertpapierinhaber nicht vorhersehbaren, für ihn nachteiligen Weise ändert. Die Emittentin wird die Wertpapierinhaber in der Bekanntmachung nach Absatz (2) bzw. Absatz (3) auf das potentielle Kündigungsrecht inklusive der Wahlmöglichkeit des Wertpapierinhabers hinsichtlich des Kündigungsbetrags hinweisen. Kündigungstermin im Sinn dieses Absatz (4) (der "**Berichtigungs-Kündigungstermin**") ist der Tag, an dem die Kündigung der Zahlstelle zugeht. Eine wirksame Ausübung der Kündigung durch den Wertpapierinhaber erfordert den Zugang einer rechtsverbindlich unterzeichneten Kündigungserklärung, welche die folgenden Angaben enthält: (i) Namen des Wertpapierinhabers, (ii) die Bezeichnung und die Anzahl der Wertpapiere, die gekündigt werden, und (iii) die Angabe eines geeigneten Bankkontos, auf das der Kündigungsbetrag gutgeschrieben werden soll.
- (5) Soweit eine Berichtigung gemäß Absatz (2) oder Änderung bzw. Ergänzung gemäß Absatz (3) nicht in Betracht kommt, können sowohl die Emittentin als auch jeder Wertpapierinhaber die Wertpapiere kündigen, wenn die Voraussetzungen für eine Anfechtung gemäß §§ 871 ff. ABGB gegenüber den jeweiligen Wertpapierinhabern bzw. gegenüber der Emittentin vorliegen. Die Emittentin kann die Wertpapiere insgesamt, jedoch nicht teilweise durch Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen

the General Conditions to the Security Holders; the termination must contain information about the Security Holder's election right regarding the Termination Amount. The Security Holder may terminate the Securities vis-à-vis the Issuer by the Paying Agent receiving its termination notice; regarding the content of the termination notice, the rule of paragraph (4) sentence 4 applies accordingly. The termination by a Security Holder does not have any effect vis-à-vis the other Security Holders. The Termination Date in the sense of this paragraph (5) (the "**Error Termination Date**") is, in the case of a termination by the Issuer, the date on which the respective notice to the Holders in accordance with Section 6 (Notices) of the General Conditions is made or, in the case of a termination by the Security Holder, the date on which the Paying Agent receives the termination notice. The termination must occur without undue delay after the party entitled to terminate has become aware of the cause for termination.

- (6) In the case of an effective termination pursuant to paragraph (4) or paragraph (5), the Issuer will pay a Termination Amount to the Security Holders. The termination amount (the "**Termination Amount**") corresponds to either (i) the most recently determined market price of a Security (as defined below) determined by the Calculation Agent or (ii) upon request of the Security Holder, the purchase price paid by the Security Holder when acquiring the Securities, if he documents it to the Paying Agent.

The Issuer will transfer the Termination Amount within three (3) Business Days after the Termination Date to the Clearing System for credit to the accounts of the depositors of the Securities or in the case of a termination by the Security Holder to the account stated in the termination notice. If the Security Holder demands repayment of the paid purchase price after the Termination Date, the amount of the difference, by which the purchase price exceeds the Market Price, is transferred subsequently. The rules of Section 6 of the Issue Specific Conditions concerning the payment terms apply accordingly. By payment of the Termination Amount, all rights of the

Bedingungen gegenüber den Wertpapierinhabern kündigen; die Kündigung muss einen Hinweis auf die Wahlmöglichkeit des Wertpapierinhabers hinsichtlich des Kündigungsbetrags enthalten. Der Wertpapierinhaber kann die Wertpapiere gegenüber der Emittentin kündigen, indem seine Kündigungserklärung der Zahlstelle zugeht; hinsichtlich des Inhalts der Kündigungserklärung gilt die Regelung von Absatz (4) Satz 4 entsprechend. Die Kündigung eines Wertpapierinhabers entfaltet keine Wirkung gegenüber den anderen Wertpapierinhabern. Der Kündigungstermin im Sinn dieses Absatz (5) (der "**Irrtums-Kündigungstermin**") ist im Fall der Kündigung durch die Emittentin der Tag, an dem die Bekanntmachung gemäß § 6 (Bekanntmachungen) der Allgemeinen Bedingungen erfolgt ist, bzw. im Fall der Kündigung durch den Wertpapierinhaber der Tag, an dem die Kündigungserklärung der Zahlstelle zugeht. Die Kündigung hat unverzüglich zu erfolgen, nachdem der zur Kündigung Berechtigte von dem Kündigungsgrund Kenntnis erlangt hat.

- (6) Im Falle einer wirksamen Kündigung gemäß Absatz (4) oder Absatz (5) wird die Emittentin an die Wertpapierinhaber einen Kündigungsbetrag zahlen. Der Kündigungsbetrag (der "**Kündigungsbetrag**") entspricht entweder (i) dem von der Berechnungsstelle zuletzt festgestellten Marktpreis eines Wertpapiers (wie nachstehend definiert) oder (ii) auf Verlangen des Wertpapierinhabers dem von dem Wertpapierinhaber bei Erwerb des Wertpapiers gezahlten Kaufpreis, sofern er diesen gegenüber der Zahlstelle nachweist.

Die Emittentin wird den Kündigungsbetrag innerhalb von drei (3) Bankgeschäftstagen nach dem Kündigungstermin an das Clearing-System zur Gutschrift auf die Konten der Hinterleger der Wertpapiere bzw. im Fall der Kündigung durch den Wertpapierinhaber auf das in der Kündigungserklärung angegebene Konto überweisen. Wenn der Wertpapierinhaber die Rückzahlung des gezahlten Kaufpreises nach dem Kündigungstermin verlangt, wird der Differenzbetrag, um den der Kaufpreis den Marktpreis übersteigt, nachträglich überwiesen. Die Regelungen des § 6 der Emissionsbezogenen Bedingungen hinsichtlich der Zahlungsmodalitäten gelten entsprechend.



Security Holders from the terminated Securities lapse. This leaves any further claims of the Security Holder for compensation.

If the Securities are listed on an exchange the Market Price (the "**Market Price**") of the Securities corresponds to the arithmetic mean of the cash settlement prices (*Kassakurse*), which were published on the three (3) Business Days immediately preceding the Correction Termination Date or the Error Termination Date (each a "**Termination Date**") at the Relevant Exchange as specified in Table 1 in the Annex to the Issue Specific Conditions in the Final Terms (the "**Relevant Exchange**"). If a Market Disruption Event pursuant to Section 8 of the Issue Specific Conditions occurred on any of these Business Days, the cash settlement price on that day is not taken into account when determining the arithmetic mean. If no cash settlement prices were published on all three (3) Business Days or a Market Disruption Event pursuant to Section 8 of the Issue Specific Conditions existed on all of those days, the Market Price corresponds to an amount, which is determined by the Calculation Agent in its reasonable discretion taking into account the market conditions existing on the Business Day immediately prior to the Termination Date.

If the Securities are not listed on an exchange the Market Price (the "**Market Price**") of the Securities corresponds to an amount, which is determined by the Calculation Agent in its reasonable discretion taking into account the market conditions existing on the Business Day immediately prior to the Correction Termination Date or the Error Termination Date (each a "**Termination Date**").

Mit Zahlung des Kündigungsbetrags erlöschen alle Rechte der Wertpapierinhaber aus den gekündigten Wertpapieren. Davon unberührt bleiben alle weiteren Ansprüche des Wertpapierinhabers auf Ersatz eines etwaigen Vertrauensschadens.

Im Fall von Wertpapieren, die an einer (Börse gelistet sind, entspricht der Marktpreis (der "**Marktpreis**") der Wertpapiere dem arithmetischen Mittel der Kassakurse, die an den drei (3) Bankgeschäftstagen, die dem Berichtigungs-Kündigungstermin bzw. dem Irrtums-Kündigungstermin (jeweils ein "**Kündigungstermin**") unmittelbar vorangegangen sind, an der in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen in den Endgültigen Bedingungen festgelegten Maßgeblichen Börse (die "**Maßgebliche Börse**") veröffentlicht wurden. Falls an einem dieser Bankgeschäftstage ein Marktstörungsereignis im Sinn des § 8 der Emissionsbezogenen Bedingungen vorlag, wird der Kassakurs an diesem Tag bei der Ermittlung des arithmetischen Mittels nicht berücksichtigt. Falls an allen drei (3) Bankgeschäftstagen keine Kassakurse veröffentlicht wurden oder an allen diesen Tagen ein Marktstörungsereignis im Sinn des § 8 der Emissionsbezogenen Bedingungen vorlag, entspricht der Marktpreis einem Betrag, der von der Berechnungsstelle nach billigem Ermessen unter Berücksichtigung der an dem Bankgeschäftstag unmittelbar vor dem Kündigungstermin herrschenden Marktbedingungen bestimmt wird.

Im Fall von Wertpapieren, die nicht an einer Börse gelistet sind, entspricht der Marktpreis (der "**Marktpreis**") der Wertpapiere einem Betrag, der von der Berechnungsstelle nach billigem Ermessen unter Berücksichtigung der an dem Bankgeschäftstag unmittelbar vor dem Berichtigungs-Kündigungstermin bzw. dem Irrtums-Kündigungstermin (jeweils ein "**Kündigungstermin**") herrschenden Marktbedingungen bestimmt wird.

#### Section 6 Notices

- (1) All notices, publications and announcements concerning the Securities shall be made at the option of

#### § 6 Bekanntmachungen

- (1) Alle Bekanntmachungen, welche die Wertpapiere betreffen, erfolgen nach Wahl der Emittentin rechtsgültig an jener Stelle

the Issuer at such place and such manner as specified in Table 1 in the Annex to the Issue Specific Conditions or, to the extent permitted, on the homepage of the Issuer or by written notification of the Security Holders.

- (2) Insofar as these Terms and Conditions do not provide otherwise, such notices shall be for information purposes only and shall not constitute conditions for validity.

und auf jene Weise, die in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen angegeben sind, oder, soweit zulässig, auf der Homepage der Emittentin oder durch schriftliche Benachrichtigung der Wertpapierinhaber.

- (2) Sofern in diesen Zertifikatsbedingungen nichts anderes vorgesehen ist, dienen diese Bekanntmachungen nur zur Information und stellen keine Bedingungen für die Gültigkeit dar.

#### Section 7

##### Limitations; Governing Law; Place of Performance; Jurisdiction; Language

- (1) Claims for payment in respect of principal shall be prescribed and become void unless made within thirty years after they became due.
- (2) Form and content of the Securities as well as all rights and obligations from matters governed in the Terms and Conditions are determined in every respect by the laws of Austria.
- (3) Vienna, Austria, shall be place of performance.
- (4) To the extent permitted by mandatory law, the courts competent for Vienna, Inner City, shall have exclusive jurisdiction, provided that the Issuer shall be entitled to bring proceedings in any other competent court. The submission to the jurisdiction of the courts of Vienna shall not limit the right of any Security Holder to take proceedings in a place of consumer jurisdiction if and to the extent mandated by applicable statute.
- (5) If all or part of any provision of the Terms and Conditions should be or become ineffective, the remaining provisions will remain in effect. The ineffective provision shall be replaced with an effective provision, which resembles the economic purposes of the ineffective provision as closely as legally possible.
- (6) For the Securities, the language specified as binding in Table 1 in the Annex to the Issue Specific Conditions shall constitute the binding version of Conditions. If specified in Table 1 in the Annex to the Issue Specific Conditions in the Final Terms, the other language version shall be a non-binding translation of these Terms and Conditions.

#### § 7

##### Verjährung; Anwendbares Recht; Erfüllungsort; Gerichtsstand; Sprache

- (1) Der Anspruch auf Zahlungen aus fälligem Kapital verjährt nach dreißig Jahren ab Fälligkeit.
- (2) Form und Inhalt der Wertpapiere sowie alle Rechte und Pflichten aus den in diesen Zertifikatsbedingungen geregelten Angelegenheiten bestimmen sich in jeder Hinsicht nach österreichischem Recht.
- (3) Erfüllungsort ist Wien, Österreich.
- (4) Ausschließlicher Gerichtsstand ist, soweit rechtlich zulässig, das für Wien, Innere Stadt, zuständige Gericht, wobei sich die Emittentin jedoch vorbehält, eine Klage bei einem ansonsten zuständigen Gericht einzubringen. Die Gerichtsstandsvereinbarung beschränkt nicht das Recht eines Wertpapierinhabers, wenn und soweit durch anwendbare Gesetze angeordnet, Verfahren vor einem Verbrauchergerichtsstand anzustrengen.
- (5) Sollte eine Bestimmung dieser Zertifikatsbedingungen ganz oder teilweise unwirksam sein oder werden, so bleiben die übrigen Bestimmungen wirksam. Die unwirksame Bestimmung ist durch eine wirksame Bestimmung zu ersetzen, die den wirtschaftlichen Zwecken der unwirksamen Bestimmung so weit wie rechtlich möglich Rechnung trägt.
- (6) Für die Wertpapiere ist die in der bindenden Sprache gemäß Tabelle 1 im Annex der Emissionsbezogenen Bedingungen abgefasste Version der Bedingungen maßgeblich. Wenn in Tabelle 1 im Annex der Emissionsbezogenen Bedingungen der Endgültigen Bedingungen vorgesehen, ist die andere Sprache als unverbindliche

Übersetzung dieser  
Zertifikatsbedingungen anzusehen.

## 5. ERSTE GROUP BANK AG

### 5.1 Introduction

Erste Group Bank AG ("**Erste Group Bank**") is registered as a joint-stock corporation (*Aktiengesellschaft*) in the Austrian Companies Register (*Firmenbuch*) (the "**Companies Register**") at the Vienna Commercial Court (*Handelsgericht Wien*) and has the registration number FN 33209 m. Its commercial name is "Erste Group". The registered office of Erste Group Bank is Graben 21, A-1010 Vienna, Austria, and its telephone number is +43-50100-0.

The legal predecessor of Erste Group Bank was established in 1819 as an association savings bank (*Vereinssparkasse*) under the name "Verein der Ersten österreichischen Spar-Casse" and, as the name suggests, was the first savings bank in Austria. It was subsequently renamed "DIE ERSTE österreichische Spar-Casse—Bank" and transferred its banking business into a stock corporation with the name "DIE ERSTE österreichische Spar-Casse Bank Aktiengesellschaft" ("**Die Erste**") in 1993. Die Erste changed its name to "Erste Bank der oesterreichischen Sparkassen AG" in October 1997, following the merger of GiroCredit Bank Aktiengesellschaft der Sparkassen ("**GiroCredit**") and Die Erste, which resulted in the creation of the then second largest banking group in Austria. In August 2008, the Austrian retail and SME banking activities of Erste Group Bank were de-merged and continued to operate under the name Erste Bank der oesterreichischen Sparkassen AG ("**Erste Bank Oesterreich**"), while the parent company changed its name to Erste Group Bank AG. Erste Group Bank operates as the parent company and remains the sole company of Erste Group listed on a stock exchange in the EEA.

### 5.2 Background

Erste Group is a leading banking group focused on retail and corporate customers in Austria and Central and Eastern Europe ("**CEE**"). Erste Group offers its customers a broad range of services that, depending on the particular market, includes deposit and current account products, mortgage and consumer finance, investment and working capital finance, private banking, investment banking, asset management, project finance, international trade finance, trading, leasing and factoring. Erste Group is among the leading banking groups in Austria, the Czech Republic, Romania and Slovakia by assets, total loans and total deposits, and has significant operations in Hungary, Croatia and Serbia. It serves approximately 16.5 million customers across Austria and its core CEE markets through a region-wide network of approximately 2,800 branches. As of 31 December 2013, Erste Group had 45,670 employees (full-time equivalents) worldwide (of which 1,524 (full-time equivalents) were employed by Erste Group Bank). Erste Group Bank is also the central institution (*Zentralinstitut*) of the Austrian Savings Banks Sector. As of 31 December 2013, Erste Group had EUR 199.9 billion in total assets.

"**Erste Group**" consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank Oesterreich in Austria, Česká spořitelna in the Czech Republic, BCR in Romania, Slovenská sporiteľňa in Slovakia, Erste Bank Hungary in Hungary, Erste Bank Croatia in Croatia, Erste Bank Serbia in Serbia, and, in Austria Salzburger Sparkasse, Tiroler Sparkasse, s-Bausparkasse, other savings banks of the Haftungsverbund (see "Haftungsverbund"), Erste Group Immorent AG, and others. On 29 April 2013, Erste Group completed the sale of Erste Bank Ukraine to the shareholders of Fidobank.

### 5.3 Share Capital of Erste Group Bank

As of 31 December 2012, the nominal share capital of Erste Group Bank amounted to EUR 789,137,294 and was divided into 394,568,647 no-par value voting bearer shares (ordinary shares), each of which represents a notional value of EUR 2.00 per share in the nominal share capital. Following a capital increase in July 2013 in the amount of EUR 70,462,706 (as compared to 31 December 2012) the total nominal share capital of Erste Group Bank amounted to EUR 859,600,000, divided into 429,800,000 no-par value voting bearer shares (ordinary shares) as of 31 December 2013.

Erste Group Bank's shares are listed and officially traded (*Amtlicher Handel*) on the Vienna Stock Exchange, the Prague Stock Exchange and the Bucharest Stock Exchange.

## 5.4 Business Overview

### Strategy

Erste Group's aims are to strengthen its market position in its core markets through the following strategies while maintaining its focus on strict cost management:

**Sharpen geographic focus on Austria and the Eastern part of the EU.** Erste Group's geographic focus in its retail and corporate banking business is aimed at its core markets located in Austria and the Eastern part of the EU and countries expected to join the EU. Erste Group intends to continue to strengthen its focus on this region, including in potential new markets in the Eastern part of the EU, such as Poland, while reducing the breadth of its service offerings in locations beyond these countries, such as the Ukraine. In particular, Erste Group intends to focus on the following elements:

- *Local customer lending funded by local deposits.* Together with a broader offering of local savings and pension products, Erste Group is working to promote self-funding from local deposits in order to achieve a balance between deposits and loans across currencies and geographies in those core markets where such self-funding from local deposits not already occurs. Erste Group's focus on sustainability means that going forward, among other things, it will limit foreign currency loans to customers who have corresponding foreign currency income or who are appropriately hedged against currency volatility by other instruments.
- *Strengthening corporate banking relationships.* Erste Group strives to strengthen its relationships with its large local and international corporate and SME banking customers. Erste Group's aim is for its corporate customers to choose it as their principal bank and regard Erste Group as their first and primary point of contact for all of their banking needs. To cater to their different requirements, SMEs and local corporate customers are served locally in branches or separate commercial centres while large corporate customers are serviced by Group Corporate and Investment Banking. Erste Group plans to expand its advisory services, with a focus on supporting its corporate customers in capital markets transactions and complementing the financing activities in the real estate business.

**Continue to focus on customer business in core region.** The basis of Erste Group's banking operations is its customer business in CEE, and while its geographic focus is on Austria and the Eastern part of the EU and countries expected to join the EU, Erste Group aims to expand its capital markets and interbank activities as well as its public sector business to be able to meet its customers' needs as effectively as possible.

- *Capital markets' activities tailored to customers' needs.* Erste Group intends to tailor its capital markets business to the specific needs of its retail and corporate customers as well as government entities and financial institutions to which it provides capital markets services. This includes providing customers with professional access to capital markets and support for their trading activities. Erste Group's capital market activities for retail and corporate customers are intended to concentrate on key markets such as Austria, the Czech Republic, Germany, Slovakia, Romania, Hungary and Croatia. For its institutional clients, Erste Group intends to offer further support by designated teams of specialists in Germany, Poland, Turkey, Hong Kong and London for a selected range of products. Helping to develop more efficient capital markets in certain of the countries where Erste Group operates is an important strategic objective, particularly against the background of new regulatory guidelines which require local funding of the banking business.
- *Balanced approach to growth of public sector business.* Transport and energy infrastructure and municipal services remain prerequisites for sustainable economic growth in the regions in which Erste Group is active. Therefore, Erste Group intends to further support its municipal, regional and sovereign public sector customers in their infrastructure, development and project financing as well as capital markets transactions. In the future, Erste Group aims to bundle its resources in its core

markets and to continue to focus on investments in sovereign bonds issued by Austria and countries in CEE. In that way, Erste Group intends to follow a balanced approach to growing its public sector business while focusing on infrastructure development and job creation in its core markets.

- *Interbank business focussed on banks in core markets.* Erste Group's interbank business aims to play an integral role in meeting the liquidity needs of Erste Group's customers. With its focus on banks that operate in Erste Group's core markets, bank exposures are intended in the future to be held for liquidity or balance sheet management purposes or to directly support Erste Group's customer business.

## Relationship with Austrian Savings Banks

The Savings Banks Sector comprises all savings banks in Austria except for Unicredit Bank Austria AG ("**Bank Austria**"), which is legally organised as a savings bank and participates in the savings banks deposit insurance system. The Sparkassen-Prüfungsverband, Vienna, is the statutory auditor of the savings banks.

The Banking Act requires savings banks to maintain with Erste Group Bank, as the central institution (*Zentralinstitut*) of the savings bank group, a specified amount of their savings deposits and other Euro deposits ("**Liquidity Reserve**"). Despite a legal change that permits the savings banks to keep their Liquidity Reserves with banks other than the relevant central institution, as of 31 December 2013 Erste Group Bank was a net liquidity provider to the savings banks on a consolidated basis.

Erste Group Bank provides a wide range of services and products to the savings banks and their customers. These services and products include syndication services, risk management advice, support in legal matters, retail mortgage, investment fund products, portfolio and asset management services, as well as securities-related services and a common IT platform and a common management reporting system.

## Haftungsverbund

In 2002, the Haftungsverbund was formed pursuant to the *Grundsatzvereinbarung* among the majority of the member banks in the Austrian Savings Banks Sector ("**Haftungsverbund 1**"). The Haftungsverbund 1, as an integral part of the joint marketing strategy and co-operation of the Savings Banks Sector, is based on three pillars:

- A uniform business and market policy, including, inter alia, joint product development and centralisation of processing functions, a uniform risk policy (including standardised credit risk classification), coordinated liquidity management and common standards of control;
- a joint early-warning system designed to identify financial difficulties at member savings banks at an early stage, which also provides support mechanisms, including intervention in management to prevent such member savings banks from becoming insolvent; and
- a cross-guarantee for certain liabilities of member savings banks.

In 2007 and 2008, Erste Group Bank entered into further agreements, including a (first) supplementary agreement (*Zusatzvereinbarung*), with all members of the Savings Banks Sector (except for Allgemeine Sparkasse Oberösterreich) ("**Haftungsverbund 2**"). These agreements confer on Erste Group Bank, on a contractual basis, the possibility to exercise a controlling influence over these savings banks. They were approved by the Austrian competition authority as mergers (*Zusammenschluss*) within the meaning of the EU Merger Regulation and the Austrian Cartel Act (*Kartellgesetz*). These mergers are designed to further strengthen the group's unity and performance, in particular by taking a joint approach in the development of common management information and control systems and integration of central functions. The Steering Company participates, inter alia, in appointing members of the management board, approves the annual budget and investment plans and approves the general business policy principles of the shareholders.

In 2013, Erste Group Bank entered into a further (second) agreement (*Zweite Zusatzvereinbarung*) with all members of the Savings Banks Sector (including Allgemeine Sparkasse Oberösterreich) ("**Haftungsverbund 3**"). The focus of this agreement is the fulfilment of the new regulatory requirements and the strengthening of the group steering: especially concerning risk management, liquidity management, capital management.

Pursuant to the agreements for the Haftungsverbund 3 (i.e. the *Grundsatzvereinbarung*, the *Zusatzvereinbarung* and the *Zweite Zusatzvereinbarung*), Haftungsverbund GmbH ("**Steering**

**Company")** is vested with the power to set the common risk policies of its members and to monitor and enforce adherence to these policies. The 48 Austrian savings banks (including Erste Group Bank and Erste Bank Oesterreich but excluding Allgemeine Sparkasse Oberösterreich) hold the entire share capital of the Steering Company. Erste Group Bank effectively controls the Steering Company through its 63.5 *per cent.* interest (held directly or indirectly through its wholly-owned subsidiary Erste Bank Oesterreich and several Austrian savings banks in which Erste Bank Oesterreich holds majority interests) in the share capital and nomination rights for the board of managing directors (*Geschäftsführung*). The Steering Company is responsible for resolving on measures to support member savings banks in financial difficulties, to make, as a trustee of the Haftungsverbund 3, compensation payments to customers, and to enforce certain information and control rights vis-à-vis member savings banks. In addition to the provisions of the agreements for the Haftungsverbund 3, activities of the Haftungsverbund 3 are also governed by several rule books setting forth detailed provisions in the fields of risk management, treasury, internal control and audit.

The Steering Company has five corporate bodies: the board of managing directors (*Geschäftsführung*), the executive committee (*s-Steuerungsvorstand*), the advisory board (*Beirat*), the shareholders' committee (*Gesellschafterausschuss*), and the shareholders' meeting (*Gesellschafterversammlung*). The board of managing directors comprises four managing directors, two of whom are nominated by Erste Bank Oesterreich and two of whom are nominated by the other member savings banks. The chairman of the board of managing directors, who is nominated by Erste Bank Oesterreich, casts the deciding vote in the event of a deadlock. The *s-Steuerungsvorstand* consists of 14 members, 7 members are nominated by Erste Group and Erste Bank Oesterreich and 7 members are nominated by shareholders in which Erste Group does not hold a direct interest and/or an indirect interest of more than 50 *per cent.* The chairperson, who is nominated by Erste Group casts the deciding vote in the event of a deadlock. The *s-Steuerungsvorstand* is primarily responsible for the validity, the amendment and the supplementation of the Rulebooks. The shareholders' committee consists of fifteen members, eight of whom are nominated by Erste Bank Oesterreich and seven of whom are nominated by the member savings banks. The shareholders' committee is primarily responsible for advising and assisting the savings banks with regard to questions concerning the application of the *Zusatzvereinbarung* and the *Zweite Zusatzvereinbarung* and for providing mediation in the event of disputes concerning the *Zusatzvereinbarung* and the *Zweite Zusatzvereinbarung* that arise between the Steering Company and the shareholders or among the shareholders. In order to implement joint business and marketing strategies, working committees for various fields have been established, such as internal audits, accounting, infrastructure and risk management. The chairperson of each working committee is an employee of Erste Group Bank or Erste Bank Oesterreich.

The Haftungsverbund 3 is designed to enable a common risk management approach and implementation across the Savings Banks Sector. This includes establishing general principles of business conduct, the determination of risk capacity for each member savings bank and the setting of risk limits. The Steering Company's governance rights include the following: prior approval by the Steering Company of appointments to the management boards of member savings banks; prior approval by the Steering Company of annual budgets and capital expenditure plans; prior approval of significant changes of a member savings bank's business; and, in the event of continuing non-compliance with material provisions of the agreements and policies of the Haftungsverbund 3, imposition of sanctions and ultimately expulsion from the Haftungsverbund 3.

The member savings banks share an IT platform and a common management reporting system. This allows the Steering Company to generate comprehensive reports regarding the operations and financial condition of each member savings bank, data regarding key performance indicators as well as risk profiles on both an individual savings bank and an aggregate basis. Depending on the information being collected, these analyses are performed on a quarterly, monthly and even daily basis.

A key focus of the Haftungsverbund 3 is the early warning system. If the risk monitoring systems indicate that a member savings bank could experience financial difficulties, the Steering Company will alert this member savings bank and discuss remedial measures. To date, the Haftungsverbund 3 has been able to deal with situations of concern through the early warning system.

If a member encounters financial difficulties, the Steering Company has the power to intervene in the management of the affected member savings bank and to require other member savings banks to provide such support and assistance as the Steering Company determines. Support measures shall be taken if, from the Steering Company's point of view, it is reasonable to expect that without such support, a need for early intervention (*Frühinterventionsbedarf*) pursuant to sec 71a Austrian Banking

Act exists requiring the FMA to impose early intervention measures. Such need for early intervention exists if a credit institution (which is subject to the BIRG) does not meet or is likely to violate ("likely breach") the capital and liquidity requirements under the CRR. Such support measures include, *inter alia*, the implementation of certain restructuring measures, the engagement of outside advisors, injections of liquidity, the granting of subordinated loans, the assumption of guarantees, the contribution of equity, the review of the credit portfolio, and the restructuring of the risk management. In providing any such support measures, the Steering Company may require that the management board of a member savings bank in financial difficulties is supplemented by additional members until the financial difficulties have been resolved or that individual members of the management board of such member savings bank be removed and substituted.

In case of any need for financial contributions in the context of support measures, each of the member savings banks has made a commitment to contribute funds on the basis of the maximum amount pursuant to the regulatory requirements set forth by Article 84(6) CRR based on a contractually defined key. In the event of assistance, any individual member of the Haftungsverbund 3 is only obliged to contribute to the extent that such contribution does not result in a violation of the regulatory requirements applicable to that member of the Haftungsverbund 3. Furthermore, in order to secure the financial support that is to be provided to member savings banks facing economic difficulties at the request of the Steering Company, the member savings banks agreed that a part of the funds has to be ex-ante financed in the form of special funds, whereas the Steering Company alone has access to these special funds and is obliged to use all other options available before availing itself of the special funds.

In the event that a member savings bank becomes insolvent, the other members guarantee, through the Steering Company, the payment of all amounts owed to customers by the insolvent member, including:

- all deposits (as defined in sec 1 (1)(1) of the Austrian Banking Act);
- all monetary claims based on credit balances resulting from funds left in an account or from temporary positions in the course of banking transactions and repayable according to the applicable legal and contractual provisions; and
- all monetary claims from the issuance of securities,

unless the relevant amounts are owed to a credit institution. This guarantee is also subject to the cumulative limit on members' obligations.

Each of the member savings bank has made a commitment to contribute funds of 1.5 *per cent.* of the member's risk-weighted assets, determined on a non-consolidated basis and based on the most recently approved financial statements of the member, plus 75% of the member's anticipated pre-tax profits for the current financial year in the event of insolvency of a member savings bank. In the event of assistance, any individual member of the Haftungsverbund 3 is only obliged to contribute to the extent that such contribution does not result in a violation of the regulatory requirements applicable to that member of the Haftungsverbund 3.

Each member savings bank has a right to terminate the *Grundsatzvereinbarung* and the supplementary agreements if it notifies Erste Group Bank within a period of twelve weeks after the occurrence of a change of control at Erste Group Bank. A change of control at Erste Group Bank is defined as any acquisition of more than 25% of the voting rights in outstanding shares of Erste Group Bank by a non-member of the Savings Bank Sector. If a termination of the *Grundsatzvereinbarung*, the *Zusatzvereinbarung* and/or the *Zweite Zusatzvereinbarung* becomes effective, the relevant member savings bank would cease to be a member of the Haftungsverbund 3.

Erste Group's consolidated financial statements as of and for the fiscal year ended 31 December 2013 comprise all members of the Savings Banks Sector. In May 2010, Erste Bank Oesterreich and Allgemeine Sparkasse Oberösterreich entered into a separate cross-guarantee agreement. In 2013 the Allgemeine Sparkasse Oberösterreich entered with all other Savings Banks into the *Zweite Zusatzvereinbarung*.

## Erste Group's Segments

The segment report of Erste Group complies with IFRS presentation and measurement requirements and shows the results of Erste Group's reportable segments. It is based on IFRS 8 operating segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal reporting information that is regularly reviewed by the chief operating decision



maker, i.e. the Management Board of Erste Group Bank, to assess the performance of the reportable segments and to make decisions regarding the allocation of resources.

The segment report 2013 consists of four reportable segments that reflect Erste Group's internal management reporting systems: Retail & SME, Group Corporate & Investment Banking, Group Markets and Group Corporate Center. As of the beginning of 2014, Erste Group's reporting segments have been changed.

**Retail & SME.** The Retail & SME segment comprises the business activities that are in the responsibility of the retail and corporate network across Erste Group's geographical operations focusing on local customer business. To improve transparency and in accordance with the geographical presence of Erste Group's banking and other financial institutions, the Retail & SME segment is divided into the geographical areas of the core markets Austria and CEE. The geographical area Austria is further split into Erste Bank Oesterreich (including majority-owned participations) and the remaining savings banks consolidated under the Haftungsverbund. The geographical area CEE consists of the retail and SME business activities in the Czech Republic, Romania, Slovakia, Hungary, Croatia, Serbia and Ukraine (sold as of 29 April 2013).

**Group Corporate & Investment Banking (GCIB).** The Group Corporate & Investment Banking (GCIB) segment includes Erste Group's large corporate business, the commercial real estate business, especially of Erste Group Bank and Erste Group Immorent AG, equity capital markets (from the second quarter 2012), the investment banking activities in CEE and the International Business (covering all investment and lending activities outside Erste Group's core markets, i.e. the branch offices in London, Hong Kong, New York, Stuttgart and Berlin).

**Group Markets.** The Group Markets (GM) segment comprises the divisionalised business units Group Treasury and Group Capital Markets (except Equity Capital Markets, which has been allocated to the segment GCIB from the second quarter 2012 onwards) and includes the treasury activities of Erste Group Bank, the CEE subsidiaries, the foreign branch offices as well as the business from Erste Asset Management.

**Corporate Center.** The Group Corporate Center (GCC) segment mainly comprises all non-core and centrally managed business activities. These include internal service providers for the Group (such as facility management, IT and procurement) and the Asset and Liability Management of Erste Group Bank. Other components of this segment include the banking taxes paid by Erste Group Bank and impairments on participations.

The segment structure is aligned with Erste Group's management approach. This leads to a somewhat lower Group contribution from the CEE subsidiaries (the geographic segments), as part of their local results are according to the management approach allocated to the segments GCIB and GM.

## ***Retail & SME***

The Retail & SME segment comprises the business activities that are in the responsibility of the retail and corporate network across Erste Group's geographical operations focusing on local customer business. Targeted customers are mainly private individuals, micro businesses, small and medium-sized enterprises, free professions and public sector companies. According to the geographical presence of Erste Group's banking and other financial institutions, the Retail & SME segment is divided into the geographical areas of the core markets Austria and CEE. The geographical area Austria is further split into Erste Bank Oesterreich (including majority-owned participations) and the remaining savings banks consolidated under the cross-guarantee system (Haftungsverbund). The geographical area CEE consists of the retail and SME business activities in the Czech Republic, Romania, Slovakia, Hungary, Croatia, Serbia and Ukraine (sold as of 29 April 2013).

### **Erste Group's Retail and SME Business in Austria**

Erste Bank Oesterreich, together with the Savings Banks, forms one of the largest banking groups in Austria. In the core business areas, i.e., deposits and lending, emphasis is on private and local corporate customers and public authorities. 3.4 million customers are served through a network of approximately 970 branches, 33 commercial customer centers, eight branches particularly designed for company founders, and 18 private banking advisory centers.

The product range comprises mainly consumer and corporate loans, mortgages, personal accounts, payment cards, direct banking services, investment and savings products, consulting and sale of financial market products, and private banking services. In addition, tailor-made financial solutions (including special financing for infrastructure products for municipalities) are offered to local authorities and clients in the non-profit sector.

### **Erste Bank Oesterreich**

In addition to Erste Bank Oesterreich itself, the Erste Bank Oesterreich geographical segment includes the Austrian savings banks in which Erste Bank Oesterreich holds majority interests (Salzburger Sparkasse, Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl) as well as Erste Bank Oesterreich's real estate and mortgage business. s-Bausparkasse, which focuses on financing for retail customers and non-profit and commercial developers, is a key contributor to the real estate and mortgage business.

Erste Bank Oesterreich's business is focused on retail and corporate customers as well as the public sector. In addition, Erste Bank Oesterreich maintains a private banking unit that is among the market leaders in Austria.

In its business with retail customers, the most important products are housing loans and micro loans as well as current accounts, term deposits, savings accounts and a variety of asset management products. By volume, housing loans are predominantly granted by s-Bausparkasse. For its various deposit products, Erste Bank Oesterreich offers a variety of service innovations, such as smart-phone apps for savings accounts and internet banking. Moreover, Erste Bank Oesterreich offers insurance products in cooperation with Vienna Insurance Group and leasing products in cooperation with Erste Group's subsidiary EBV Leasing.

The following table sets out summary financial information for the Erste Bank Oesterreich subsegment for the years ended 31 December 2013 and 2012:

|   | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |              |              |
| Pre-tax profit/loss   | 257.8        | 255.1        |
| Net profit/loss for the year attributable to owners of the parent | 184.4        | 192.4        |
| Cost/income ratio <sup>(1)</sup> in %                             | 61.8         | 64.5         |
| Return on equity <sup>(2)</sup> in %                              | 14.4         | 15.0         |

Source: Audited Consolidated Financial Statements 2013 and 2012

- (1) The term *cost/income ratio* included in this section means the ratio of operating expenses (general administrative expenses) as a percentage of operating income (the sum of net interest income, net fee and commission income and net trading result).
- (2) The term return on equity (ROE) included in this section is calculated as net profit/loss attributable to owners of the parent divided by the average attributed shareholders' equity allocated to the subsegment. The average attributed equity of each subsegment represents the economic capital of the subsegment, which is assigned on the basis of credit risk, market risk and operational risk.

### **Savings Banks/Haftungsverbund**

The Savings Banks geographical segment includes 43 Austrian savings banks (excluding Erste Group Bank, Erste Bank Oesterreich, Salzburger Sparkasse, Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl but including Allgemeine Sparkasse Oberösterreich) with 736 branch offices across the country. The Savings Banks are universal banks serving retail customers, self-employed professionals and SMEs as well as corporate customers, the public sector and non-profit organisations. The Savings Banks' close cooperation in certain key business areas is reflected in their common corporate identity and harmonised business and market practices.

Erste Group holds no or only minor shareholdings in these Savings Banks, but these banks are consolidated due to their membership in the *Haftungsverbund*. As described above, savings banks that are majority-owned by Erste Bank Oesterreich (Salzburger Sparkasse, Tiroler Sparkasse and Sparkasse Hainburg-Bruck-Neusiedl) are included in the Erste Bank Oesterreich geographical segment.

The following table sets out Erste Group's direct and indirect ownership in savings banks that are consolidated due to their membership in the *Haftungsverbund* and included in the Savings Banks subsegment as of 31 December 2013:

|                                     | Ownership in % |
|-------------------------------------|----------------|
| Sparkasse Mühlviertel-West          | 40.0           |
| Allgemeine Sparkasse Oberösterreich | 29.8           |
| Steiermärkische Bank und Sparkasse  | 25.0           |
| Kärntner Sparkasse                  | 25.0           |
| Sparkasse Voitsberg-Köflach         | 5.0            |

Source: Audited Consolidated Financial Statements 2013

The following table sets out summary financial information for the Savings Banks subsegment (consisting of those savings banks which as a result of their membership in the *Haftungsverbund* are consolidated) for the years ended 31 December 2013 and 2012:

| in EUR million (unless otherwise indicated)                       | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| Pre-tax profit/loss   | 190.6        | 202.3        |
| Net profit/loss for the year attributable to owners of the parent | 22.8         | 21.5         |
| Cost/income ratio in %  | 69.2         | 68.7         |
| Return on equity in %   | 5.7          | 5.8          |

Source: Audited Consolidated Financial Statements 2013 and 2012

## Erste Group's Retail and SME Business in CEE

### Czech Republic

The Czech Republic geographical segment primarily includes the retail and SME business of Česká spořitelna and its subsidiary operations. Česká spořitelna is a universal bank serving approximately 5.3 million retail and SME clients. As of 31 December 2013, it operated a network of 653 branches and 1,530 ATMs and transactional terminals. The network also includes 22 mortgage centers, 14 regional corporate centers for SME clients, and a total of 25 centers for private banking clients (including Erste premier). Česká spořitelna is a leading retail bank in the Czech Republic and the largest among Erste Group's operations in CEE. In addition to its universal and private banking services, it is also active in fund management, securities trading, factoring and foreign exchange dealing.

Česká spořitelna maintained its leading position in 2013 in retail banking and continued to rank among the three largest banks in terms of total assets. As of 31 December 2013, the bank's market share by total assets remained stable and represented 19% (source: CNB).

The following table sets out summary financial information for the retail and SME portion of the Czech Republic business, of which Česká spořitelna represents a major part, for the years ended 31 December 2013 and 2012:

| in EUR million (unless otherwise indicated)                       | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| Pre-tax profit/loss   | 623.7        | 656.2        |
| Net profit/loss for the year attributable to owners of the parent | 493.6        | 518.0        |

|                        |      |      |
|------------------------|------|------|
| Cost/income ratio in % | 44.8 | 43.8 |
| Return on equity in %  | 37.8 | 40.9 |

Source: Audited Consolidated Financial Statements 2013 and 2012

### **Romania**

The Romania geographical segment primarily includes the retail and SME business of Banca Comercială Română (BCR) and its subsidiaries. BCR is the leading financial services group in Romania. As of 31 December 2013, the bank served approximately 3.2 million retail and corporate customers through its network of 563 branches and 22 commercial centers, online and phone banking. BCR also operates the largest national network of ATMs and POS terminals, numbering approximately 2,200 and approximately 13,300 units, respectively, as of the end of December 2013. In addition to its full array of retail and corporate banking services, BCR is also active in the leasing, pension fund and brokerage business and maintains a private banking unit.

In 2012, the Romania geographical segment incurred a pre-tax loss of EUR 378.6 million which was primarily attributable to a higher level of risk provisions for loans and advances and a decrease in the operating result (operating income (the sum of net interest income, net fee and commission income and net trading result) minus general administrative expenses). Following a significant decline in risk provisions and general administrative expenses, the pre-tax profit stood at EUR 7.6 million in 2013.

As of December 2013, BCR was the market leader in terms of total assets (18%), retail loans (18%) retail deposits (18%) and in corporate loans (20.8%), while ranking second in corporate deposits (12.8%) (source: Romanian Banking Association). BCR's retail business concentrated on secured lending and on resuming the sales of consumer loans in local currency. BCR's corporate business focused on the selective lending to large corporate customers in the energy industry, manufacturing businesses, infrastructure projects as well as export and other sectors driven by foreign direct investments and SME customers. In addition, financing of the public sector and municipalities and co-financing EU-funded projects remained a priority of BCR throughout 2013.

The following table sets out summary financial information for the retail and SME portion of the Romania business, of which BCR represents a major part, for the years ended 31 December 2013 and 2012:

|   | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |              |              |
| Pre-tax profit/loss   | 7.6          | (378.6)      |
| Net profit/loss for the year attributable to owners of the parent | 127.9        | (294.3)      |
| Cost/income ratio in %  | 40.6         | 46.6         |
| Return on equity in %   | 19.3         | —            |

Source: Audited Consolidated Financial Statements 2013 and 2012

### **Slovakia**

The Slovakia geographical segment primarily includes the retail and SME business of Slovenská sporiteľňa and its subsidiaries. Slovenská sporiteľňa has the longest tradition of providing services as a savings bank in Slovakia. By the end of December 2013, the bank served approximately 2.4 million clients, equaling roughly 50% of the Slovak population, through a network of 292 branches and 769 ATMs. Slovenská sporiteľňa also maintains a private banking unit.

Slovenská sporiteľňa's product range comprises mainly consumer and corporate loans, mortgages, personal accounts, payment cards, direct banking services, savings and investment products, consulting and sale of financial market products, and private banking services. At the end of December 2013, Slovenská sporiteľňa had a market share of 20% by total assets. (Source: National Bank of Slovakia)

The following table sets out summary financial information for the retail and SME portion of Erste Group's business in Slovakia, of which Slovenská sporiteľňa represents a major part, for the years ended 31 December 2013 and 2012:

|   | Year ended<br>31 December |              |
|---|---------------------------|--------------|
|   | 2013 audited              | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |                           |              |
| Pre-tax profit/loss   | 222.2                     | 210.6        |
| Net profit/loss for the year attributable to owners of the parent | 173.8                     | 169.3        |
| Cost/income ratio in %  | 44.0                      | 43.9         |
| Return on equity in %   | 42.4                      | 39.4         |

Source: Audited Consolidated Financial Statements 2013 and 2012

### **Hungary**

Erste Group's Hungary geographical segment primarily comprises the retail and SME business of Erste Bank Hungary. Erste Bank Hungary operates a network of 135 branches and commercial centers and 421 ATMs. Erste Bank Hungary also maintains a private banking unit. As of 31 December 2013, Erste Bank Hungary served approximately 900,000 customers. At the end of December 2013, Erste Bank Hungary had a market share of 7% by total assets. (Source: National Bank of Hungary)

The product range comprises mainly housing finance, consumer and corporate loans, personal accounts, payment cards, direct banking services, investment and savings products, consulting and sale of financial market products, and private banking services. In addition, specialised programmes and consulting is offered for entrepreneurs and local corporate customers, as well as tailor-made financial services for municipalities and the non-profit sector.

In 2011, the Hungarian government enacted legislation that allowed for loans denominated in foreign currencies, such as Euro, U.S. dollar and Swiss francs to be converted to Hungarian forint at below market rates, which contributed to the significant pre-tax loss in the year 2011. During 2012, Erste Bank Hungary continued to operate in an environment of unstable regulatory and legal conditions, while customer demand for loans and banking services in the Hungarian market continued to decline. In addition to the disproportionate banking tax introduced in 2010 (more than 0.5% of adjusted total assets) initially intended as a temporary measure, now labelled as a permanent element of the tax system, the Government imposed a levy on financial transactions on the banking sector in 2012. This levy is effective from 2013 on, followed by a substantial increase of the respective tax rates in June 2013 in order to contain the fiscal deficit. Governmental measures relating to the regulation of foreign exchange mortgage lending combined with a stagnant economy led to a decrease in new lending volumes in the market by 80% compared to pre-crisis levels. As a consequence, Erste Bank Hungary adjusted the size of its operations and improved the efficiency of its processes. Erste Bank Hungary continued to reduce its portfolio of loans denominated in Swiss francs.

The following table sets out summary financial information for the retail and SME portion of Erste Group's business in Hungary, of which Erste Bank Hungary represents a major part, for the years ended 31 December 2013 and 2012:

|   | Year ended<br>31 December |              |
|---|---------------------------|--------------|
|   | 2013 audited              | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |                           |              |
| Pre-tax profit/loss   | (107.7)                   | (46.2)       |
| Net profit/loss for the year attributable to owners of the parent | (108.9)                   | (55.1)       |
| Cost/income ratio in %  | 41.7                      | 41.2         |
| Return on equity in %   | —                         | —            |

Source: Audited Consolidated Financial Statements 2013 and 2012

## Croatia

Erste Group's Croatia geographical segment primarily comprises the retail and SME business of Erste Bank Croatia and its subsidiaries. Erste Bank Croatia is among the country's largest universal banks and serves approximately one million customers through its nationwide network of 150 branches and distribution channels, such as internet, mobile communications and ATMs. In addition, Erste Bank Croatia distributes a broad range of related financial products in the areas of asset management, life insurance, securities brokerage, leasing and pension funds, and operates a private banking unit.

The product range comprises mainly consumer and corporate loans, mortgages, personal accounts, payment cards, direct banking services, investment and savings products, consulting and sale of financial market products, and private banking services. In addition, tailor-made financial solutions (including special financing for infrastructure products for municipalities) are offered to local authorities and clients in the non-profit sector. As of 31 December 2013, the market shares in total assets, retail loans and retail deposits amounted to 15%, 14%, and 13%, respectively (source: CrNB).

The following table sets out summary financial information for the retail and SME portion of Erste Group's business in Croatia, of which Erste Bank Croatia represents a major part, for the years ended 31 December 2013 and 2012:

| in EUR million (unless otherwise indicated)                       | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| Pre-tax profit/loss   | (8.6)        | 55.5         |
| Net profit/loss for the year attributable to owners of the parent | (10.8)       | 23.7         |
| Cost/income ratio in %  | 40.9         | 40.4         |
| Return on equity in %   | —            | 8.2          |

Source: Audited Consolidated Financial Statements 2013 and 2012

## Serbia

Erste Bank Serbia's geographical segment primarily comprises the retail and SME business of Erste Bank Serbia. Erste Bank Serbia has approximately 300,000 customers and a network of 68 branches and commercial centers for corporate customers. Erste Bank Serbia focuses primarily on catering to the traditional banking needs of a broad retail and mid-market corporate customer base, which has allowed it to establish a strong presence in Serbia's major business centers.

The product range comprises mainly mortgages, cash and consumer loans, personal accounts, credit and debit cards, direct banking services, investment and savings products, and consulting and sale of financial market products. In addition, local corporate customers are also offered short- and long-term financing, domestic and international payment operations, project financing, and letters of credits and guarantees. As of 31 December 2013, the market shares in total assets amounted to 3% (source: NBSE).

The following table sets out summary financial information for the retail and SME portion of Erste Group's business in Serbia, of which Erste Bank Serbia forms a major part, for the years ended 31 December 2013 and 2012:

| in EUR million (unless otherwise indicated)                       | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| Pre-tax profit/loss   | 8.3          | 8.5          |
| Net profit/loss for the year attributable to owners of the parent | 6.3          | 7.8          |

|                        |      |      |
|------------------------|------|------|
| Cost/income ratio in % | 64.4 | 63.6 |
| Return on equity in %  | 11.9 | 18.8 |

Source: Audited Consolidated Financial Statements 2013 and 2012

## Ukraine

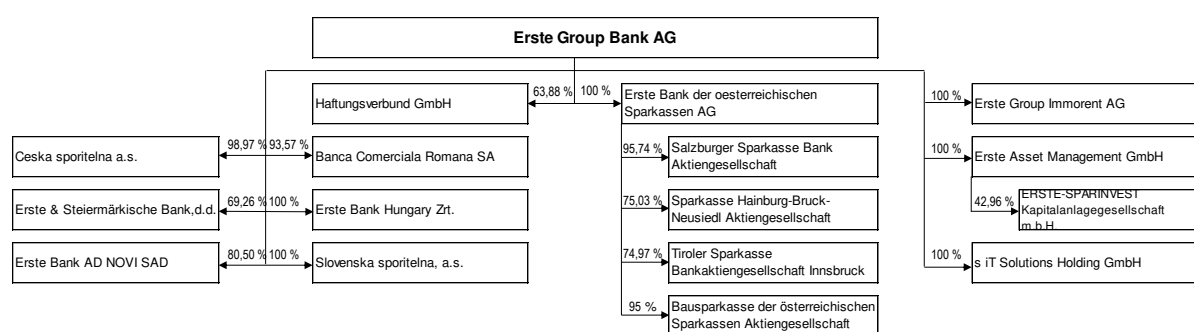
On 29 April 2013, Erste Group finalised the sale of 100% of Erste Bank Ukraine to the owners of FIDOBANK. The subsidiary has been deconsolidated. The Ukraine geographical segment therefore includes only the results of the first quarter 2013.

| in EUR million (unless otherwise indicated)                       | Year ended<br>31 December |              |
|---|---------------------------|--------------|
|   | 2013 audited              | 2012 audited |
| Pre-tax profit/loss   | (9.4)                     | (44.1)       |
| Net profit/loss for the year attributable to owners of the parent | (9.4)                     | (44.3)       |
| Cost/income ratio in %  | 247.1                     | 215.0        |
| Return on equity in %   | —                         | —            |

Source: Audited Consolidated Financial Statements 2013 and 2012

## Subsidiaries

Erste Group Bank is the parent company of Erste Group. The following chart gives a simplified overview of the structure of Erste Group, showing the material direct and indirect subsidiaries of Erste Group Bank. For the purpose of this chart, "Erste Group" does not include the Austrian savings banks that are required to be consolidated under IFRS into Erste Group's results as a result of their membership in the *Haftungsverbund* and in which Erste Group Bank holds either a minority interest or no equity stake at all:



as of 30.09.2014

The online brokerage ex Brokerjet Bank AG is offered by Erste Bank der oesterreichischen Sparkassen since 01.09.2014.

Source: Internal information. The information is presented as of the date of the Prospectus.

## Group Corporate and Investment Banking

The Group Corporate & Investment Banking segment includes Erste Group's large corporate business, the commercial real estate business, especially of Erste Group Bank and Erste Group Immorent AG. In addition, this segment comprises equity capital markets (from the second quarter 2012), the investment banking activities in CEE and the International Business (covering all investment and lending activities outside Erste Group's core markets, i.e. the branch offices in London, Hong Kong, New York, Stuttgart and Berlin).

The full range of banking services is provided to large corporate customers as well as institutional and public sector customers. The division employs some 1,050 professionals, who combine industry and

product expertise with local knowledge, and offers services in debt financing, equity capital markets, mergers and acquisitions, debt advice, acquisition finance, infrastructure finance, project finance, syndication, real estate development, lending and leasing, as well as transaction banking. The division cooperates closely with the capital markets as well as the retail & SME network.

The following table sets out summary financial information for the Group Corporate and Investment Banking segment for the years ended 31 December 2013 and 2012:

|   | Year ended<br>31 December |              |
|---|---------------------------|--------------|
|   | 2013 audited              | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |                           |              |
| Pre-tax profit/loss   | (245.6)                   | (58.3)       |
| Net profit/loss for the year attributable to owners of the parent | (224.2)                   | (55.6)       |
| Cost/income ratio in %  | 35.8                      | 33.5         |
| Return on equity in %   | —                         | —            |

Source: Audited Consolidated Financial Statements 2013 and 2012

### **Group Markets**

The Group Markets segment comprises the divisionalised business units Group Treasury and Group Capital Markets (except Equity Capital Markets, which has been allocated to the segment GCIB from the second quarter 2012 onwards) and includes the treasury activities of Erste Group Bank, the CEE subsidiaries, the foreign branch offices as well as the business from Erste Asset Management.

In the case of institutional clients, GM covers the full customer relationship and all interactions with the clients. GM is the internal trading unit for all classic treasury products (such as FX, commodities and money market) and capital market products (such as bonds, interest rate derivatives, credit and equity products).

The following table sets out summary financial information for the Group Markets segment for the years ended 31 December 2013 and 2012:

|   | Year ended<br>31 December |              |
|---|---------------------------|--------------|
|   | 2013 audited              | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |                           |              |
| Pre-tax profit/loss   | 253.4                     | 297.4        |
| Net profit/loss for the year attributable to owners of the parent | 197.1                     | 227.6        |
| Cost/income ratio in %  | 47.8                      | 42.2         |
| Return on equity in %   | 51.1                      | 65.0         |

Source: Audited Consolidated Financial Statements 2013 and 2012

### **Group Corporate Center**

The Group Corporate Center (GCC) segment mainly comprises all non-core and centrally managed business activities. These include internal service providers for the Group (such as facility management, IT and procurement) and the Asset and Liability Management of Erste Group Bank AG. Other components of this segment include the banking taxes paid by Erste Group Bank AG and impairments on participations.



The following tables set out summary financial information for the Group Corporate Center segment for the years ended 31 December 2013 and 2012.

| Group Corporate Center  | Year ended   |              |
|---|--------------|--------------|
|   | 31 December  |              |
|   | 2013 audited | 2012 audited |
| <b>in EUR million (unless otherwise indicated)</b>                |              |              |
| Pre-tax profit/loss   | (817.9)      | (357.2)      |
| Net profit/loss for the year attributable to owners of the parent | (791.7)      | (227.5)      |
| Cost/income ratio in %  | 196.0        | 100.8        |
| Return on equity in %   | —            | —            |

Source: Audited Consolidated Financial Statements 2013 and 2012

## 5.5 Current Regulatory Topics

### Activities in the context of changes in regulatory requirements

EU and national laws, regulations, policies and interpretations of laws relating to the banking sector and financial institutions have come under increased scrutiny by legislators, regulators and advisory bodies and are continuously evolving and changing, especially in levels of adequate capitalisation and leverage. Many of these changes or anticipated developments, including the recent proposal of a single supervisory mechanism and more integrated banking union within the EU, have affected and will continue to affect the regulatory environment of Erste Group's business significantly. Erste Group's business is characterized by regulatory requirements to maintain certain capital and liquidity ratios, which may require Erste Group to reduce its risk-weighted assets, may limit the further growth of Erste Group's business or may require Erste Group to obtain additional capital or liquid funds in the future. Further, regulatory developments frequently expose Erste Group to additional costs and liabilities, require it to change how it conducts its business or may otherwise have a negative impact on its business, the products and services it offers and the value of its assets. If Erste Group is unable to increase its regulatory capital ratios sufficiently, its ratings may drop and its cost of funding may increase.

Since 2010, Erste Group has been scrutinising the impacts of the planned regulatory changes commonly known as Basel III (or, respectively, CRD IV/CRR on an EU level). The Group has established a group-wide Basel III programme, which ensures that all requirements arising from the CRD IV and from related national and international regulations are implemented in complete and timely manner across the entire Group. The programme includes a stream covering capital requirements, changes in risk-weighted asset ("**RWA**") calculations, counterparty credit risk (CCR), and the new capital charge for credit value adjustments (CVA). Further streams focus on new legal requirements for regulatory capital, new disclosure requirements, the new liquidity rules, the introduction of a leverage ratio as well as transitional provisions for phasing out capital instruments, based on definitions within the CRD IV/CRR.

Due to the established programme structure, Erste Group has an integrated view on all requirements arising from CRD IV/CRR. Furthermore, a close alignment is being undertaken with programmes focusing on other internal or regulatory requirements in the areas of risk and accounting, such as the IFRS 9 project.

Regarding changes in risk-weighted assets according to CRD IV/CRR, Erste Group has actively participated since 2010 in the semi-annual Quantitative Impact Study ("**QIS**") which is co-ordinated by Austrian and European regulatory authorities. Erste Group has completed several calculations to evaluate the impact of the new accord on its risk-weighted assets, both within and beyond the scope of the QIS exercises.

Erste Group calculated as well the CRD IV/CRR compliant liquidity ratios which also will be collected within the scope of the planned exercises. The Group has made several calculations to assess the

status of the entities with regards to these ratios, and the necessary preparation for the future regulatory reporting is currently underway.

Regulatory changes for the internal model approach to market risk according to CRD III became effective for Erste Group at year-end 2011. The inclusion of stressed value-at-risk (VaR) and event risk (for equity-related risks) into the internal model was developed and received approval from regulators after a successful audit by the Austrian regulator in the fourth quarter of 2011.

The CRD IV/CRR entered into force 1 January 2014.

### **Capital requirements for systemically relevant European banking groups**

In the context of the on-going sovereign debt crisis the EBA evaluated the capital requirements of systemically relevant banking groups across the EU. EBA then defined a minimum core tier-1 ratio of 9% (according to EBA definition) to be fulfilled by 30 June 2012. Based on the calculation methodology defined by EBA, Erste Group had achieved a 9.9% core tier-1 ratio as of 30 June 2012. On 16 December 2013, EBA recently published the results of a transparency exercise across European banks. Based on this transparency exercise, Erste Group had achieved a 11.3% core tier-1 ratio as of 30 June 2013.

EBA and ECB will continue its monitoring of the regulatory capital situation of European banking groups. Since 1 January 2014 on (i.e. after final implementation of CRD IV, and the entering into force of the CRR), European banking groups need to comply with further requirements, notably in respect of additional minimum requirements for CET 1. Future EBA/ECB exercises will then be adopted in light of the new and stricter capital and risk specifications.

### **Changes in the calculation of regulatory capital ratios in the first quarter 2013**

In September 2012 Erste Group officially informed the Austrian regulatory authorities concerning the change of the valuation method that is used as the basis for calculating regulatory capital ratios. Since the first quarter 2013, Erste Group calculates consolidated regulatory capital and consolidated regulatory capital requirements based on International Financial Reporting Standards (IFRS).

### **Banking/Financial transaction taxes**

In addition, several countries in which Erste Group operates have introduced special banking taxes. In Austria, the banking tax was introduced in 2011 and, following a 25% increase in 2012, Erste Group's Austrian banking tax amounted to EUR 166.45 million in 2013 after EUR 165.2 million in 2012 and EUR 132.1 million in 2011. In Slovakia, a banking tax was newly introduced in 2012 and resulted in a charge of EUR 41.23 million in 2013 after EUR 31.5 million for 2012. In Hungary, the banking tax amounted to EUR 48.96 million in 2013 and EUR 47.3 million in 2012, while in 2011 it was offset against losses resulting from legislation allowing the early repayment of foreign currency loans at a fixed exchange rate below then prevailing exchange rates in the market. Furthermore, the European Commission has proposed to introduce an EU financial transaction tax within the EU by 2014, and EU Member States have agreed that a financial transaction tax may be introduced only by certain EU Member States, including Austria, Slovakia and Hungary, rather than throughout the EU in a uniform manner. These banking taxes and potential financial transaction taxes directly impact Erste Group's other operating result, and increases in banking taxes or the imposition of new banking and financial transaction taxes on Erste Group's subsidiaries negatively affect its results of operations.

## **5.6 Recent Developments**

### **Recent changes in the Haftungsverbund ("Haftungsverbund 3")**

In 2013 the cooperation between the savings banks was further intensified. The aim of the amendments of the existing Haftungsverbund ("Haftungsverbund 3"), which entered into force on 1 January 2014, is the intensification of the group steering, the setting up of an institutional protection scheme (Art 113 (7) CRR) and a cross-guarantee scheme (Art 4 (1)(127) CRR) in order to fulfil the requirements of Art 84 (6) CRR for being exempted from the deduction of any minority interest and thus, being entitled to recognize any minority interest arising within the cross-guarantee scheme in full

and in light of IFRS 10 to strengthen Erste Group Bank's power in the provisions of the agreement governing the Haftungsverbund 3.

### **Impacts on the net profit**

On 11 February 2014, Erste Group Bank announced that it posted a net profit of about EUR 60 million in 2013. Goodwill write-downs and tax effects negatively impacted net profit. In 2013, Erste Group Bank did only partly recognise deferred tax assets for tax losses carried forward as it is unlikely they will be realised within a reasonable time frame. This is directly related to the banking tax burden on the Austrian tax group as well as goodwill write-downs over the past years.

### **Erste Group expects higher risk costs in 2014 and updates outlook for 2014 and 2015**

On 3 July 2014, Erste Group announced that it expects risk costs to rise from the planned EUR 1.7 bn to about EUR 2.4 bn in 2014 as a result of increased provisions in Hungary and Romania.

In Hungary this is related to the planned government action on retail FX loans, which is expected to be related primarily to the retroactive correction of bid-ask spreads applied to FX loans and the abolition of unilateral interest rate and fee changes and is set to be approved by Parliament on 4 July 2014. Any potential additional costs related to the complete phase-out of retail FX loans announced by government officials for H2 2014 are – in line with recent High Court decisions – not expected and hence not included in the above estimate.

Increased risk provisions in Romania reflect recently increased efforts by the Romanian National Bank, ahead of the ECB's asset quality review ("AQR"), to reduce NPLs in the banking system in an accelerated manner, and the implementation of lower recovery assumptions by BCR, based on offer prices received for large volume NPL packages. As a result of increased provisions in Romania, Erste Group will carry out an impairment test on the entire amount of Romanian intangibles (goodwill, brand, value of customer relationships) of about EUR 800 mn, which may result in the full write-off of such intangibles. Such action may also lead to the write-off of deferred tax assets of about EUR 200 mn.

As a result of this development Erste Group expects for Erste Group (on a consolidated basis):

- A group operating result which is lower than expected in 2014 due to weaker operating results in Romania and Hungary;
- a net loss for 2014 of EUR 1.4 to 1.6 bn;
- a CET 1-ratio (fully loaded, based on current definitions) of about 10.0% at year-end without a need to issue equity. During the year, the CET 1-ratio may be lower, as losses are included in the calculation but unaudited profit is not; and
- improved post-provision result and net profit (Return on tangible equity ("RoTE"): 8 to 10%) in 2015, despite still disproportionate banking levies.

In the course of the publication of its Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014, Erste Group announced on 30 October 2014, that net impairment loss on financial assets not measured at fair value through profit and loss went up in line with prior expectations. Furthermore, the announcement of 30 October 2014 contained expectations which are generally in line with the expectations published in the announcement of 3 July 2014.

## 6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### 6.1 MANAGEMENT BOARD

#### Members of the Management Board

Currently, the Management Board consists of five members who have extensive experience in the Austrian banking market and the savings banks sector. The current members of the Management Board are listed below. All current members of the Management Board have positions in various companies.

| <b>Name</b>   | <b>Name of relevant company</b>                        | <b>Position held</b>     |
|---|--|--------------------------|
| <b>Andreas Treichl</b><br><i>Chairman</i>           | Banca Comercială Română S.A.                           | SB <sup>3</sup> chairman |
|   | Česká spořitelna, a.s.                                 | SB deputy chairman       |
|   | DONAU Versicherung AG Vienna Insurance Group           | SB deputy chairman       |
|   | Erste Bank der oesterreichischen Sparkassen AG         | SB chairman              |
|   | Haftungsverbund GmbH                                   | AB <sup>4</sup> chairman |
|   | MAK – Österreichisches Museum für Angewandte Kunst     | SB chairman              |
|   | Sparkassen Versicherung AG Vienna Insurance Group      | SB chairman              |
| <b>Franz Hochstrasser</b><br><i>Deputy Chairman</i> | CEESEG Aktiengesellschaft                              | SB member                |
|   | Erste Group Immorent AG                                | SB chairman              |
|   | Oesterreichische Kontrollbank Aktiengesellschaft       | SB deputy chairman       |
|   | Steiermärkische Bank und Sparkassen Aktiengesellschaft | SB member                |
|   | Wiener Börse AG  | SB member                |

<sup>3</sup> "SB" means Supervisory Board.

<sup>4</sup> "AB" means Advisory Board.

| <b>Name</b>                | <b>Name of relevant company</b>  | <b>Position held</b> |
|----------------------------|--|----------------------|
| <b>Andreas Gottschling</b> | Erste Group Immorent AG  | SB deputy chairman   |
| <b>Herbert Juranek</b>     | Banca Comercială Română S.A.   | SB member            |
|                            | Brokerjet Bank AG (previously, ecetra Central European e-Finance AG)                           | SB member            |
|                            | Česká spořitelna, a.s.   | SB member            |
|                            | Erste & Steiermärkische Bank d.d.  | SB chairman          |
|                            | Erste Group IT International, spol. s.r.o.   | AB chairman          |
|                            | Erste Group IT SK, spol. s.r.o. (previously, Informations-Technologie Austria SK, spol. s.r.o) | AB member            |
|                            | Erste Group Card Processor d.o.o. (previously MBU d.o.o.)                                      | AB chairman          |
|                            | OM Objektmanagement GmbH   | AB chairman          |
|                            | Procurement Services GmbH  | AB deputy chairman   |
|                            | s IT Solutions AT Spardat GmbH   | SB chairman          |
|                            | s IT Solutions CZ, s.r.o.  | AB member            |
|                            | s IT Solutions HR d.o.o.   | AB member            |
|                            | Slovenská sporiteľňa, a.s.   | SB member            |
| <b>Gernot Mittendorfer</b> | Banca Comercială Română S.A.   | SB member            |
|                            | EGB Ceps AUT Holding GmbH  | Managing Director    |
|                            | EGB Ceps Beteiligungen GmbH  | Managing Director    |
|                            | EGB Ceps Holding GmbH  | Managing Director    |
|                            | Erste Bank Hungary Zrt   | SB member            |
|                            | Erste Bank a.d. Novi Sad   | SB chairman          |
|                            | Erste Bank der oesterreichischen Sparkassen AG   | SB member            |
|                            | Erste Reinsurance S.A.   | AB member            |
|                            | Haftungsverbund GmbH   | AB member            |
|                            | Slovenská sporiteľňa, a.s.   | SB chairman          |

Source: Internal information of Erste Group Bank

The members of the Management Board can be reached at Erste Group Bank's business address Graben 21, A-1010 Vienna, Austria.

### Changes to the Management Board

On 26 October 2014, the Issuer announced that the Issuer's Supervisory Board approved the strategic repositioning of Erste Group and in this context also personnel decisions. A Group function will be set up within the holding (Erste Group Bank AG) for the retail business while business with commercial customers will be gradually transferred to the local banks. As of 2015, the following personnel changes will take place: Peter Bosek, who used to be board member of Erste Bank der oesterreichischen Sparkassen AG, will become member of the Management Board of Erste Group Bank AG responsible for the Austrian as well as the group-wide retail business. Jozef Sikela, the CEO of the Issuer's subsidiary, Slovenská sporiteľňa, will take over the management functions for Corporates&Markets at the Issuer from Franz Hochstrasser who will leave the Issuer's Management Board. Herbert Juranek, the Issuer's COO will also leave the Issuer's Management Board. A decision on his successor is intended to be reached in the coming weeks.

## 6.2 SUPERVISORY BOARD

### Members of the Supervisory Board

Currently, the Supervisory Board consists of eleven members elected by the shareholders of Erste Group Bank and six employee representatives. The following table sets out the current members of the Supervisory Board together with the mandates in supervisory boards or similar functions in other foreign and domestic companies for each supervisory board member as of the date of this Prospectus:

| Name  | Name of relevant company                                       | Position held                   |
|---|--|---------------------------------|
| <b>Friedrich Rödler</b><br><i>Chairman</i>                | Erste Bank der oesterreichischen Sparkassen AG                 | SB member                       |
|   | Erste Bank Hungary Zrt.  | SB member                       |
|   | Sparkassenprüfungsverband                                      | Chairman                        |
| <b>Dr. Georg Winckler</b><br><i>First Deputy Chairman</i> | Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung | SB chairman                     |
|   | DIE ERSTE Österreichische Spar-Casse Privatstiftung            | SB chairman                     |
|   | Educational Testing Service (ETS), Princeton/New Jersey        | Member of the board of trustees |
|   | Erste Bank der oesterreichischen Sparkassen AG                 | SB member                       |
|   | UNIQA Versicherungen AG  | SB deputy chairman              |
| <b>Elisabeth Bleyleben-Koren</b><br><i>Member</i>         | none   | —                               |
| <b>Bettina Breiteneder</b>                                |  |                                 |

| <b>Name</b>  | <b>Name of relevant company</b>                                    | <b>Position held</b>                            |
|--|--|---|
| <i>Member</i>  | ZS Einkaufszentren Errichtungs- und Vermietungs-Aktiengesellschaft | SB chairwoman                                   |
| <b>Gunter Griss</b><br><i>Member</i>                       | Steiermärkische Bank und Sparkassen AG                             | SB Chairman                                     |
|  | BH Krentschker & Co AG   | SB deputy chairman                              |
|  | AVL List GmbH  | SB chairman                                     |
|  | BDI Bioenergy International AG                                     | SB chairman                                     |
| <b>Jan Homan</b><br><i>Second Deputy<br/>Chairman</i>      | Allianz Elementar Versicherungs-Aktiengesellschaft                 | SB member                                       |
|  | BillerudKorsnäs AB   | SB member                                       |
|  | Constantia Flexibles Group GmbH                                    | SB chairman                                     |
|  | Frapag Beteiligungsholding AG SB chairman                          | Frapag<br>Beteiligungsholding AG<br>SB chairman |
|  | Slovenská sporiteľ'ňa, a.s.  | SB member                                       |
| <b>Elisabeth Krainer<br/>Senger-Weiss</b><br><i>Member</i> | GW Immobilien GmbH   | CEO   |
| <b>Juan Maria Nin<br/>Génova</b><br><i>Member</i>          | Academic Board, APD  | Member  |
|  | Aspen Institute Spain Foundation                                   | Member of the Board of<br>Trustees              |
|  | Banco BPI, S.A.  | Member of board of<br>directors                 |
|  | CaixaBank, S.A.  | Deputy chairman and<br>CEO                      |

| <b>Name</b> | <b>Name of relevant company</b>          | <b>Position held</b>         |
|-------------|--|------------------------------|
|             | CEDE Foundation                          | Member board of governors    |
|             | Circulo Ecuestre                         | Member of board of directory |
|             | Criteria Caixaholding S.A.               | Deputy chairman              |
|             | Deusto Business School                   | Member of board of directors |
|             | Deusto University                        | Member of board of directors |
|             | Esade Business School Foundation         | Member of board of trustees  |
|             | Federació Catalana de Caixes d'Estalvis  | Secretary                    |
|             | Frederico Garcia Lorca Foundation        | Member of board of trustees  |
|             | Gas Natural SDG, S.A.                    | Member of board of directors |
|             | Grupo Financiero Inbursa, S.A.B. DE C.V. | Member of board of directors |
|             | "la Caixa" Foundation                    | Deputy chairman              |
|             | "La Caixa" Savings Bank                  | President and CEO            |
|             | Repsol YPF                               | Member of board of directors |
|             | Spain-China Council Foundation           | Member of board of directors |
|             | Spain-India Foundation                   | Deputy Chairman              |
|             | Spain-United States Council Foundation   | Member board of governors    |
|             | VidaCaixa Grupo, S.A.U. (Insurances)     | Member of board of directors |

**Brian Deveraux  
O'Neill**



| <b>Name</b>                    | <b>Name of relevant company</b>                     | <b>Position held</b>         |
|--------------------------------|---|------------------------------|
| <i>Member</i>                  | Banca Comercială Română S.A.                        | SB member                    |
|                                | Council of the Americas                             | Member of board of directors |
|                                | Emigrant Bank                                       | Member of board of directors |
|                                | Inter-American Dialogue                             | Member of board of directors |
|                                | Seven Seas Water                                    | Member of board of directors |
| <b>Wilhelm Rasinger</b>        |   |                              |
| <i>Member</i>                  | Friedrichshof Wohnungsgenossenschaft reg. Gen.mbH   | SB chairman                  |
|                                | Haberkorn Holding AG                                | SB member                    |
|                                | S IMMO AG   | SB member                    |
|                                | Wienerberger AG                                     | SB member                    |
| <b>John James Stack</b>        |   |                              |
| <i>Member</i>                  | Ally Bank   | Member of board of directors |
|                                | Česká spořitelna, a.s.                              | SB chairman                  |
|                                | Mutual of America Life Insurance Company            | SB member                    |
| <b>Markus Haag</b>             | none  | —                            |
| <i>Employee representative</i> |   |                              |
| <b>Andreas Lachs</b>           | VBV-Pensionskasse AG                                | SB member                    |
| <i>Employee representative</i> |   |                              |
| <b>Friedrich Lackner</b>       | DIE ERSTE Österreichische Spar-Casse Privatstiftung | SB member                    |
| <i>Employee representative</i> |   |                              |
| <b>Bertram Mach</b>            | none  | —                            |
| <i>Employee representative</i> |   |                              |
| <b>Barbara Smrcka</b>          | none  | —                            |
| <i>Employee representative</i> |   |                              |
| <b>Karin Zeisel</b>            |   |                              |

| <b>Name</b>                    | <b>Name of relevant company</b> | <b>Position held</b> |
|--------------------------------|---------------------------------|----------------------|
| <i>Employee representative</i> | none                            | —                    |

Source: Internal information of Erste Group Bank.

### **6.3 REPRESENTATIVES OF THE SUPERVISORY AUTHORITIES**

Pursuant to the Austrian Banking Act and the Austrian Mortgage Bank Act 1899, the Austrian Minister of Finance is required to appoint representatives, who monitor Erste Group Bank's compliance with certain legal requirements. The current representatives are listed below:

| <b>Name</b>                | <b>Position</b>                                  |
|----------------------------|--|
| <b>Wolfgang Bartsch</b>    | State Commissioner                               |
| <b>Michael Kremser</b>     | Vice State Commissioner                          |
| <b>Silvia Maca</b>         | Commissioner for covered bonds                   |
| <b>Erhard Moser</b>        | Vice Commissioner for covered bonds              |
| <b>Irene Kienzl</b>        | Trustee pursuant to the Mortgage Bank Act        |
| <b>Thomas Schimetschek</b> | Deputy Trustee pursuant to the Mortgage Bank Act |

Source: Internal information of Erste Group Bank

Pursuant to the Austrian Banking Act and the Articles of Association, the State Commissioner and its deputy shall be invited to the Erste Group Bank's Shareholders' Meetings and all meetings of the Supervisory Board and its committees. Furthermore, the State Commissioner or its deputy shall immediately receive all minutes of the meetings of the Supervisory Board. Resolutions of the Supervisory Board and of its committees which are passed outside a meeting shall be simultaneously communicated to the State Commissioner or its deputy who is entitled to raise written objections pursuant to sec 76(6) Austrian Banking Act.

### **6.4 POTENTIAL CONFLICTS OF INTEREST**

Agreements (e.g. advisory contracts or loan agreements) of Erste Group Bank with the Members of its Management Board and its Supervisory Board may generate in certain circumstances conflicts of interest. Should any such conflict of interest arise, Erste Group Bank has sufficient rules and procedures in place to properly deal with such conflicts of interest in accordance with applicable laws and industry standards.

### **6.5 AUDIT AND AUDITORS' REPORTS**

Sparkassen-Prüfungsverband Prüfungsstelle (statutory auditor) at Grimmelshausengasse 1, A-1030 Vienna, and Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (a member of "Kammer der Wirtschaftstreuhand Österreich") at Wagramer Straße 19, 1220 Vienna, have audited the German language consolidated financial statements of Erste Group Bank as of 31 December 2013 and 2012 and issued unqualified audit opinions for the Audited Consolidated Financial Statements 2013 (dated 28 February 2014) and 2012 (dated 28 February 2013). The financial year of Erste Group Bank is the calendar year.

## 6.6 SHAREHOLDERS OF ERSTE GROUP BANK

Erste Group Bank's major shareholder, DIE ERSTE österreichische Spar-Casse Privatstiftung, is a private foundation which was created by the transformation of DIE ERSTE Österreichische Spar-Casse Anteilsverwaltungsparkasse, a special form of savings bank holding company, with effect as of 19 December 2003. Such type of transformation is provided for under the Savings Bank Act. As of 31 October 2014, 20.5% of the shares in Erste Group Bank were attributable to DIE ERSTE Österreichische Spar-Casse Privatstiftung ("**Erste Stiftung**") which held 12.7% directly and 7.8%<sup>5</sup> indirectly (of which all savings banks in aggregate held 1.1%). 9.1% of the shares in Erste Group Bank were held by CaixaBank, S.A. The free float amounts to 70.4% (of which 4.1% were held by Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung, Vienna, Austria, 4.0% were held by Harbor International Fund, 51.6% by institutional investors, 9.7% by retail investors and 1.0% by Erste Group's employees) (all numbers are rounded).

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<sup>5</sup> Voting rights attributable to shares held by Sparkassen Beteiligungs GmbH & Co. KG are attributed to DIE ERSTE österreichische Spar-Casse Privatstiftung (the "Erste Stiftung") pursuant to Section 92 No. 4 Stock Exchange Act, because Erste Stiftung is a limited partner of Sparkassen Beteiligungs GmbH & Co. KG and holds 100% of the share capital in Sparkassen Beteiligungs GmbH, the sole general partner of Sparkassen Beteiligungs GmbH & Co. KG. In addition, voting rights are attributed to Erste Stiftung pursuant to Section 92 No. 4 and 7 Stock Exchange Act in connection with shares in Erste Group Bank held by Austrian savings banks, which act jointly with Erste Stiftung and are associated with Erste Group Bank through the Haftungsverbund, establishing a joint early warning system as well as a cross guarantee for certain liabilities of the member savings banks (for more information on the Haftungsverbund, see "Description of Erste Group's business—Haftungsverbund"), and by other syndicate members.

## **7. LEGAL PROCEEDINGS**

Erste Group Bank and some of its subsidiaries are involved and have been involved in the twelve months preceding the date of this Prospectus in legal disputes, including governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), most of which have arisen or have been threatened in the course of its ordinary banking business. These proceedings are not expected to have a significant negative impact on the financial position or profitability of Erste Group and/or Erste Group Bank. Erste Group is also subject to the following ongoing proceedings:

### **Hungarian Holocaust litigation**

In 2010 a group of plaintiffs filed a putative class action complaint, in a Federal court in Chicago, on behalf of alleged victims of the Holocaust or their heirs, alleging that several Hungarian banks improperly benefited from the seizure of assets of Jewish customers during World War II. The assets claimed total USD 2 billion in 1944 dollars. Although Erste Group Bank is not alleged to have participated in the alleged misappropriation of Jewish assets, it is nevertheless named as a defendant in the litigation, as plaintiffs allege that Erste Group Bank is the legal successor to a number of banks that were active during that time in Greater Hungary. Erste Group Bank has denied all of the material allegations against it, including, but not limited to, allegations of successorship. In January 2014 the Federal District Court entered judgment in favor of Erste Group Bank, terminating the civil case. Plaintiffs have filed an appeal. Erste Group Bank intends to continue taking all steps necessary to defend itself against this complaint.

### **Consumer protection claims**

Several banking subsidiaries of Erste Group in CEE have been named in their respective jurisdictions as defendants in a number of lawsuits and in regulatory proceedings, filed by individual customers, regulatory authorities or consumer protection agencies and associations. Some of the lawsuits are class actions. The lawsuits mainly relate to allegations that certain contractual provisions, particularly in respect of consumer loans, violate mandatory consumer protection laws and regulations and that certain fees charged to customers in the past must be repaid. The allegations relate to the enforceability of certain fees as well as of contractual provisions for the adjustment of interest rates and currencies.

## 8. MATERIAL CONTRACTS

Since 31 December 2013, Erste Group Bank and its subsidiaries have not entered into any material contracts, other than contracts entered into in the ordinary course of business, except for the following agreements which have been in place before:

### Cooperation between Erste Group Bank and Vienna Insurance Group

Erste Group Bank and Vienna Insurance Group AG Wiener Versicherung Gruppe (“**VIG**”) are parties to a general distribution agreement concerning the framework of the cooperation of Erste Group and VIG in Austria and CEE with respect to bank and insurance products. In case of a change of control of Erste Group Bank, VIG has the right to terminate the general distribution agreement, and in case of a change of control of VIG, Erste Group Bank has a reciprocal right. A change of control is defined, with respect to Erste Group Bank, as the acquisition of Erste Group Bank by any person other than DIE ERSTE österreichische Spar-Casse Privatstiftung or Austrian savings banks of 50% plus one share of Erste Group Bank's voting shares, and with respect to VIG, as the acquisition of VIG by any person other than Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group of 50% plus one share of VIG's voting shares. If VIG elects to terminate the general distribution agreement after a change of control of Erste Group Bank has occurred, it may choose to ask for a reduction of the original purchase price that it and its group companies have paid for the shares in the CEE insurance companies of Erste Group. The rebate corresponds to the difference between the purchase price and the embedded value and is reduced to zero on a linear scale from March 2013 to March 2018.

Erste Group Bank and VIG are furthermore parties to an asset management agreement, pursuant to which Erste Group undertakes to manage certain parts of VIG's and its group companies' securities assets. In case of a change of control (as defined above), each party has a termination right. If Erste Group Bank elects to terminate the asset management agreement following such a change of control of VIG, because the new controlling shareholders of VIG no longer support the agreement, it may choose to ask for a full refund of the purchase price that it has paid for 95% of Ringturm Kapitalanlagegesellschaft m.b.H., the asset management company performing the services under the asset management agreement. The refund decreases on a linear scale down to zero from October 2013 to October 2018.

### New Haftungsverbund Agreement

On 1 January 2014, Erste Group Bank and its subsidiary Erste Bank Oesterreich entered with the savings banks into the second supplementary agreement (*Zweite Zusatzvereinbarung*) to the Haftungsverbund (“**Haftungsverbund 3**”). The cooperation between the Erste Group and the savings banks was hereby further intensified. The aim of the agreement is the intensification of the group steering, the setting up of an institutional protection scheme (Art 113 (7) CRR) and a cross-guarantee scheme (Art 4 (1)(127) CRR) in order to fulfil the requirements of Art 84 (6) CRR for being exempted from the deduction of any minority interest and thus, being entitled to recognize any minority interest arising within the cross-guarantee scheme in full as well as in light of IFRS 10 to strengthen Erste Group Bank's power in the provisions of the agreement governing the Haftungsverbund 3.

## 9. TAXATION

The statements herein regarding certain tax issues in Austria, Croatia, the Czech Republic, Germany, Hungary and Romania are based on the laws in force in those jurisdictions as of the date of this Prospectus and are subject to any changes in such laws. The following summaries do not purport to be comprehensive descriptions of all the tax considerations which may be relevant to a decision to purchase, own or dispose of Certificates and further disclosure may be included in a supplement to this Prospectus. Prospective holders of Certificates should consult their tax advisers as to the relevant tax consequences of the ownership and disposition of Certificates.

The Issuer assumes, other than as set out below, no responsibility with respect to taxes withheld at source.

### AUSTRIA

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Certificates in the Republic of Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable 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 possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential investors in the Certificates consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Certificates. Tax risks resulting from the Certificates shall in any case be borne by the investor. For the purposes of the following it is assumed that the Certificates are legally and factually offered to an indefinite number of persons.

#### General remarks

Individuals having a permanent domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*) in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a permanent domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of effective management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*) in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of effective management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

#### Income taxation of the Certificates

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the alienation, redemption and other realisation of assets that lead to income from the letting of capital, zero coupon bonds and broken-period interest; and
- income from derivatives (*Einkünfte aus Derivat*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other

realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates.

Also the withdrawal of the Certificates from a bank deposit (*Depotentnahme*) and circumstances leading to a loss of Austria's taxation right regarding the Certificates *vis-à-vis* other countries, e.g. a relocation from Austria (*Wegzug*), are in general deemed to constitute a sale (*cf.* sec. 27(6)(1) of the Austrian Income Tax Act).

Individuals subject to unlimited income tax liability in Austria holding the Certificates as non-business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to withholding tax (*Kapitalertragsteuer*) of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). In case of investment income without an Austrian nexus, the income must be included in the investor's income tax return and is subject to tax at a flat rate of 25%. In both cases upon application the option exists to tax all income subject to tax at the flat rate of 25% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realised increases in value and from derivatives may be neither offset against interest and other claims *vis-à-vis* credit institutions nor against income from private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*); income subject to tax at a flat rate of 25% may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income.

Individuals subject to unlimited income tax liability in Austria holding the Certificates as business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus (as described above) the income is subject to withholding tax of 25%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must be included in the investor's income tax return (nevertheless tax at a flat rate of 25%). In case of investment income without an Austrian nexus, the income must always be included in the investor's income tax return (generally tax at a flat rate of 25%). In both cases upon application the option exists to tax all income subject to tax at the flat rate of 25% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to tax at the flat rate of 25%, are primarily to be offset against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets; only half of the remaining negative difference may be offset against other types of income (and carried forward).

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on interest from the Certificates at a rate of 25%. In case of investment income with an Austrian nexus (as described above) the income is subject to withholding tax of 25%, which can be credited against the corporate income tax liability. However, under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act withholding tax is not levied in the first place. Income from the alienation of the Certificates is subject to corporate income tax of 25%. Losses from the alienation of the Certificates can be offset against other income (and carried forward).

Private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*) and holding the Certificates as non-business assets are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. In case of investment income with an Austrian nexus (as described above) income is in general subject to withholding tax of 25%, which can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on investment income from the Certificates if they have a permanent establishment (*Betriebsstätte*) in Austria and the Certificates are attributable to such permanent establishment (*cf.* sec. 98(1)(3) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act). As of 1 January 2015 they will also be taxable on interest in the sense of the Austrian EU Withholding Tax Act (*EU-Quellensteuergesetz*, see below) from the Certificates if withholding tax is levied on such interest (this does not apply to individuals falling within the scope of the Austrian EU Withholding Tax Act; *cf.* sec. 98(1)(5)(b) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act).

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian agent is obliged to automatically offset negative investment income against positive investment income, taking into account all of a taxpayer's bank deposits with the custodian agent. If negative and at the same time or later positive income is earned, then the negative income is to be offset against the positive income. If positive and later negative income is earned, then withholding tax on the positive income is to be credited, with such tax credit being limited to 25% of the negative income. In certain cases the offsetting is not permissible. The custodian agent has to issue a written confirmation on the offsetting of losses for each bank deposit to the taxpayer.

### **EU withholding tax**

Sec. 1 of the Austrian EU Withholding Tax Act – implementing Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent (*Zahlstelle*) to a beneficial owner who is an individual resident in another EU member state (or in certain dependent or associated territories, which currently include Anguilla, Aruba, the British Virgin Islands, Curaçao, Guernsey, the Isle of Man, Jersey, Montserrat, Sint Maarten and the Turks and Caicos Islands) are subject to EU withholding tax (*EU-Quellensteuer*) of 35%. Sec. 10 of the Austrian EU Withholding Tax Act provides for an exemption from EU withholding tax if the beneficial owner presents to the paying agent a certificate drawn up in his/her name by the competent authority of his/her member state of residence for tax purposes, indicating the name, address and tax or other identification number or, failing such, the date and place of birth of the beneficial owner, the name and address of the paying agent, and the account number of the beneficial owner or, where there is none, the identification of the security; such certificate shall be valid for a period not exceeding three years. It is expected that changes to the EU Withholding Tax Act – implementing Council Directive 2014/48/EU of 24 March 2014 amending Directive 2003/48/EC on taxation of savings income in the form of interest payments – will enter into effect by 1 January 2017.

Regarding the issue of whether also index certificates are subject to EU withholding tax, the Austrian tax authorities distinguish between index certificates with and without a capital guarantee, a capital guarantee being the promise of repayment of a minimum amount of the capital invested or the promise of the payment of interest. The exact tax treatment of index certificates furthermore depends on their underlying.

### **Tax treaties Austria/Switzerland and Austria/Liechtenstein**

The Treaty between the Republic of Austria and the Swiss Confederation on Cooperation in the Areas of Taxation and Capital Markets and the Treaty between the Republic of Austria and the Principality of Liechtenstein on Cooperation in the Area of Taxation provide that a Swiss, respectively Liechtenstein, paying agent has to withhold a tax amounting to 25% on, *inter alia*, interest income, dividends and capital gains from assets booked with an account or deposit of such Swiss, respectively Liechtenstein, paying agent if the relevant holder of such assets (*i.e.* in general individuals on their own behalf and as beneficial owners of assets held by a domiciliary company (*Sitzgesellschaft*)) is tax resident in Austria. The same applies to such income from assets managed by a Liechtenstein (but not by a Swiss) paying agent if the relevant holder of the assets (*i.e.* in general individuals as beneficial owners of a transparent structure) is tax resident in Austria. For Austrian income tax purposes this withholding tax has the effect of final taxation regarding the underlying income if the Austrian Income Tax Act provides for the effect of final taxation for such income. The treaties, however, do not apply to interest covered by the agreements between the European Community and the Swiss Confederation, respectively the Principality of Liechtenstein, regarding Council Directive 2003/48/EC on taxation of savings income in the form of interest payments. The taxpayer can opt for voluntary disclosure instead of the withholding tax by expressly authorising the Swiss, respectively Liechtenstein, paying agent to disclose to the competent Austrian authority the income, which subsequently has to be included in the income tax return.



## **Austrian inheritance and gift tax**

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in cases of transfers *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at the flat rate of 25%. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate generally is 2.5%, with a higher rate of 25% applying in special cases. Special provisions apply to transfers of assets to entities falling within the scope of the tax treaty between Austria and Liechtenstein.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the fair market value of the assets transferred.

Further, gratuitous transfers of the Certificates may trigger income tax at the level of the transferor pursuant to sec. 27(6)(1) of the Austrian Income Tax Act (see above).

## **CROATIA**

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Certificates in Croatia. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently valid 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 possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential purchasers of the Certificates consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Certificates. Tax risks resulting from the Certificates shall in any case be borne by the purchaser. For the purposes of the following it is assumed that the Certificates are legally and factually offered to an indefinite number of persons.

The Issuer assumes no responsibility with respect to taxes withheld at source.

### **General remarks**

Individuals having a permanent domicile and/or their habitual abode in Croatia are subject to income tax in Croatia on their worldwide income (unlimited income tax liability). Individuals having neither a permanent domicile nor their habitual abode in Croatia are subject to income tax only on income from certain Croatian sources (limited income tax liability).

Corporations having their place of effective management and/or their registered legal seat in Croatia are subject to profit tax in Croatia on their worldwide income (unlimited corporate income tax liability). Corporations having neither their place of effective management nor their registered legal seat in Croatia are subject to corporate income tax only on income from certain Croatian sources (limited corporate income tax liability).

The general rules outlined above apply to the extent there are no limitations imposed under applicable double taxation treaties.

## **Taxation of individuals**

Croatian tax implications for individuals largely depend on whether the Certificates qualify as securities issued in accordance with the special laws. The information below is based on the assumption that the Certificates qualify as securities under Croatian law.

Income resulting from holding or selling of Certificates is not considered as income pursuant to income tax regulations, it is not calculated in the income tax base and consequently, not taxable under Croatian laws. Individuals having their domicile and/or habitual abode in Croatia and holding Certificates as private assets are not subject to taxation of income arising out of Certificates. Income arising out of Certificates derived by non-resident individuals is not subject to withholding tax.

## **Taxation of companies**

If a Croatian company, a Croatian subsidiary of foreign entrepreneur, craftsperson or any other legal person or individual subject to paying profit tax is a holder of Certificates, income on this basis would not be taxed directly; such persons, should their overall business operations generate profit, would be required to pay the profit tax at the rate of 20%.

Profit and dividends distribution from Croatian residents to non-residents is subject to a withholding tax at the rate of 12%. The withholding tax rate may be lower if Croatia and the non-resident's country have entered into a double taxation treaty. Withholding tax is not applicable if the profit and dividends are distributed to a company that is part of the EU common taxation system.

If the amount of profit and dividends distributions to individuals that are Croatian residents exceeds HRK 12,000 (approx. EUR 1,600), this amount is subject to a capital income tax at the rate of 12% as well as surtax to the capital income tax at a rate ranging from 0% to 18% depending on the exact location of residence in Croatia.

## **Taxation of inheritance and gifts**

If the Certificates are received as an inheritance or a gift on the territory of the Republic of Croatia, the receiver would be required to pay taxes in the amount of 5% on the market value of the Certificates.

The following persons are exempt from paying this tax: (i) spouse, ancestors and descendants of the deceased person/donor, (ii) certain persons living in a common household with the deceased person/donor at the moment of death/receiving the gift and (iii) humanitarian organizations, religious communities, trusts, foundations and public authorities.

## **EU Savings Directive**

Croatian General Tax Act, which implements the Council Directive 2003/48/EC of 3 June 2003 on the taxation of income on savings in the form of interest, prescribes the mandatory exchange of information between EU Member States on these payments in that Member State where the beneficial owner of the interest (a citizen of a Member State) is resident. The obligation for the first exchange of information has occurred on 31 March 2014.

Besides the Member States of the European Union, Directive 2003/48/EC applies to three British crown areas (Guernsey, Isle of Man and Jersey ), and nine dependent or associated territories of the Netherlands or the United Kingdom (Aruba, Curacao, Saint Maarten, Caribbean part of the Netherlands, Anguilla, British Virgin Islands, Cayman Islands, Montserrat, Turks and Caicos Islands).

Although income from interest on savings is not currently taxable in Croatia, in order to implement the Directive, Croatia is obliged to conclude bilateral agreements with those countries or regions. For the majority of these bilateral agreements, the ratification process has already been initiated or completed.

## **CZECH REPUBLIC**

### **General**

This summary is based on the tax laws of the Czech Republic and their prevailing interpretations, the practice of the Czech tax authorities, and the Tax Convention on Income and Capital concluded between the Czech Republic and the Republic of Austria, in each case as in effect and/or available on the date of this Programme. Moreover, while this summary is considered to be a correct interpretation of existing Czech laws in force on the date of this Programme, no assurance can be given that courts or tax authorities responsible for the administration of such laws will agree with the interpretations or that retroactive or prospective changes in such laws will not occur.

Czech tax implications largely depend on whether the Certificates qualify as securities under the Czech legislation. An amendment of the Czech Civil Code newly defines the term "securities". The definition is more general than in the former Czech Capital Markets Act and involves also the securities that are not explicitly specified by Czech law provided that they meet the general conditions i.e. the security includes the information about its issuer and the right associated with the security. This right shall be explicitly mentioned on the securities or a reference has to be made to the issuing conditions.

The information below is based on the assumption that the Certificates fulfil all conditions for the treatment as securities under Czech law. For Czech taxation purposes, proceeds from Certificates will be treated either as interest income or capital gains, which may result in differences in taxation. Prospective investors should verify, among others, the nature of the Certificates and the type of income for each type of the Certificates.

### **Responsibility for the withholding of taxes**

In accordance with Czech legislation, only a Czech payer of income deriving from ownership of the Certificates (e.g. interest) has responsibility for performing the appropriate withholding tax at source. As Erste Group is not a Czech entity, it does not assume responsibility with respect to withholding tax payable at source.

### **Residents**

#### **Interest**

According to the double taxation treaty between Austria and the Czech Republic, interest (if any) paid from Austria to a Czech tax resident is taxable in the Czech Republic. However, the Austrian paying agent may under certain conditions deduct withholding tax from interest payments on the Certificates in Austria if the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**EU Savings Directive**") is applicable (see "EU Savings Directive" in "Austria" above).

Interest paid on the Certificates to a Czech tax resident from foreign sources is subject to income tax in the Czech Republic.

#### *Individuals*

An individual must include the interest received in the overall personal income tax base, which is taxable at a flat rate of 15% in 2014.

If a withholding tax is deducted on interest in Austria pursuant to the EU Savings Directive, the individual Czech tax resident may declare the tax deducted in Austria on the Czech income tax return and claim a credit against his Czech tax liability due on the income in respect of which the deduction was made.

#### *Corporation*

A corporation must include the interest received in its general corporate income tax base, which is taxable at a flat rate of 19% in 2014.

## **Capital gains**

According to the double taxation treaty between Austria and the Czech Republic, capital gains from the sale of the Certificates by a Czech tax resident to an Austrian tax resident are taxable in the Czech Republic.

### *Individuals*

Capital gains from the sale of the Certificates are newly exempt from Czech personal income tax if an individual has held the Certificates as a non-business asset for an uninterrupted period of more than three years except for income from the sale of ordinary shares (in Czech "kmenový list"). Capital gains from the sale of ordinary shares are exempt after five years of ownership.

Either way, the exemption only applies if the Certificates have not been included in the individual's business assets at any point in time prior to their sale.

If capital gains from the sale of the Certificates held by individuals as a non-business asset are not tax-exempt, they are subject to personal income tax at a flat rate of 15% in 2014. The tax base being calculated as the income from the sale of the Certificates reduced by the purchase price of the Certificates and charges related to their acquisition. A loss from the sale of the Certificates may be offset against gains from the sale of the Certificates or other securities in the same fiscal period. In addition to the above, newly income from the sale of any securities is exempt if the total income does not exceed CZK 100,000 during the taxable period.

In the case of individuals holding the Certificates as a business asset the capital gain from the sale of the Certificates is included in their general income tax base and taxed at a flat rate of 15% in 2014. A loss from the sale of the Certificates may be offset against overall taxable income (other than employment income) in the current fiscal period and the following five fiscal periods.

### *Corporations*

Capital gains from the sale of the Certificates held by corporations are included in their general income tax base and taxed at a flat rate of 19% in 2014. A loss from the sale of the Certificates may be offset against profits in the current fiscal period and the following five fiscal periods.

## **Inheritance and gift tax**

Inheritance tax and gift tax are newly incorporated in the Czech Income Taxes Act with effect from 1 January 2014.

Acquiring the Certificates as inheritance is fully tax exempt. In case of receipt of a gift resident individuals are liable to pay tax at a flat rate of 15% and corporations are liable to pay tax at flat rate of 19%.

Individual's income from gift may be tax exempt depending on the relationship between the donor on the one hand and the donee on the other hand. Occasional income below CZK 15,000 is fully tax exempt.

## **Other taxes**

No other taxes are levied in the Czech Republic on the acquisition, holding and sale of the Certificates.

## **Non-residents**

Tax non-residents are subject to tax only on their Czech source income. Income derived by a permanent establishment located in the Czech Republic is deemed to be Czech source income.

Income may be exempt from taxation under the EU Interest Royalty Directive or the tax liability may be reduced under the terms of a relevant double taxation treaty. If no double taxation treaty applies, the following Czech taxation rules should be taken into account:

## **Interest**

Interest income paid by a Czech paying agent to a non-resident may be treated as Czech source income. Interest paid to non-resident is subject to 15% or 35% withholding tax unless the rate is reduced under the relevant double taxation treaty or exempt under the EU Interest Royalty Directive. The standard rate is 15%. Withholding tax amounting to 35% is levied on interest income paid to non-resident of states outside the EU/EEA that have not concluded the double taxation treaty or agreement for exchanges of information on tax issues with the Czech Republic.

If the interest is considered as income of a permanent establishment, the withholding tax does not apply and the individual or corporation having the permanent establishment has to pay tax on the interest income in the same way as tax residents (see the section on residents above).

The tax treatment of interest income is the same for individuals as well as for corporations.

Under the EU Interest Royalty Directive, the interest paid by the Czech company to related company located in EU countries or in Switzerland, Norway or Iceland may be exempt from withholding tax if certain additional conditions are met.

## **Capital gains**

Income from the sale of the Certificates payable by a Czech tax resident or by a permanent establishment of a Czech tax non-resident located in the Czech Republic to a non-resident shall be treated as a Czech source income taxable in the Czech Republic.

The income from the sale of the Certificates may, however, be exempt from taxation under the terms of a relevant double taxation treaty. If no double taxation treaty applies, the following Czech taxation should be taken into account:

### *Individuals*

Capital gains from the sale of the Certificates are newly exempt from Czech personal income tax if an individual has held the Certificates as a non-business asset for an uninterrupted period of more than three years except for income from the sale of ordinary shares. Capital gains from the sale of ordinary shares are exempt after 5 years of ownership.

Either way, the exemption only applies if the Certificates have not been included in the individual's business assets at any point in time prior to their sale.

If capital gains from the sale of the Certificates held by individuals as a non-business asset are not tax-exempt, they are subject to personal income tax at a flat rate of 15% in 2014, the tax base being calculated as the income from the sale of the Certificates reduced by the purchase price of the Certificates and charges related to their acquisition. A loss from the sale of the Certificates may be offset against gains from the sale of the Certificates or other securities in the same fiscal period. In addition to the above, income from the sale of Certificates is newly exempt if the total income does not exceed CZK 100,000 during the taxable period.

In the case of individuals holding the Certificates as a business asset the capital gain from the sale of the Certificates is included in their general income tax base and taxed at a flat rate of 15% in 2014. A loss from the sale of the Certificates may be offset against overall taxable income (other than employment income) in the current fiscal period and the following five fiscal periods.

### *Corporations*

Capital gains from the sale of the Certificates held by corporations are included in their general income tax base and taxed at a flat rate of 19% in 2014. A loss from the sale of the Certificates may be offset against profits in the current fiscal period and the following five fiscal periods.

## **Purchase of the Certificates from a non-EEA resident**

A Czech resident who purchases the Certificates from a resident from outside the European Economic Area is obliged to withhold and pay a tax security advance at a rate of 1% of the purchase price for the Certificates to the Czech tax authorities unless the respective double taxation treaty provides tax exemption of the capital gain in the Czech Republic.

If no double taxation treaty is applicable, the seller should file a Czech corporate/personal income tax return, in which the withheld tax security advance is deducted from the final tax liability assessed at regular tax rates. If no tax return is filed, the tax security advance withheld will be treated as the final tax.

If the Certificates are attributed to the permanent establishment of a non-Czech tax resident, a different tax regime applies. In general, the gain is taxed as a regular business profit of the permanent establishment in the Czech Republic.

### **Inheritance and gift tax**

Inheritance and gift taxes are incorporated in the Czech Income Taxes Act with effect from January 1st, 2014. Acquiring the Certificates as inheritance is fully tax exempt. Income from donation derived by non-resident from Czech tax residents is treated as Czech source income and is subject to 15% withholding tax.

Individual's income from gift may be tax exempt depending on the relationship between the donor on the one hand and the donee on the other hand. Occasional income below CZK 15,000 is fully tax exempt.

The Czech law is applicable only if a treaty does not provide otherwise.

### **Implementation of the EU Savings Directive**

The Czech Republic has implemented the EU Savings Directive. If the payments qualify as interest or other similar income under the EU Savings Directive, a Czech paying agent will collect certain specified details in respect of the payments of interest and other similar income to an individual in another EU Member State and provide them to its competent tax authority. The Czech Republic will provide the information to the tax authorities in other EU Member States. The same regime also applies in respect of certain non-EU countries and independent territories, such as Switzerland, San Marino, Monaco, Andorra and Liechtenstein.

### **Other taxes**

No other taxes are levied in the Czech Republic on the acquisition, holding and sale of the Certificates.

## **GERMANY**

### **Tax Residents**

Interest payments or capital gains from the sale or repayment of the Certificates to persons or entities who are tax residents in Germany (i.e., persons or entities whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany) are subject to German personal income tax (*Einkommensteuer*) or corporate income tax (*Körperschaftsteuer*) (plus solidarity surcharge (*Solidaritätszuschlag*) at a rate of 5.5% thereon and, if applicable, church tax). Such interest payments or capital gains may also be subject to trade tax (*Gewerbesteuer*) if the Certificates form part of the property of a German trade or business.

#### *Certificates as non-business assets*

Income derived from capital investments (*Einkünfte aus Kapitalvermögen*) is subject to a flat tax (*Abgeltungssteuer*). Such income from capital investments includes, inter alia, any interest received, and capital gains from the disposal, redemption, repayment or assignment of Certificates (including accrued interest, if any) held as non-business assets, irrespective of a holding period. As a rule, the flat tax is imposed by way of withholding. Payment of the flat tax generally satisfies any income tax liability of the Security Holder in respect of such investment income or private capital gains. The flat tax will be levied at a rate of 25% (plus 5.5% solidarity surcharge thereon and, if applicable, church tax) of the relevant gross income. No expenses related to the investment income except for a small annual lump-sum tax allowance (of up to EUR 801 for singles or EUR 1,602 for married couples filing a joint tax return) on all income derived from capital investments will be deductible. This also applies to the acquisition cost in the case of the Expiration of the Certificates. The flat tax rate is in principle

definitive. However, Security Holders will be entitled to apply for a tax assessment, i.e. to include all investment income and private capital gains in their taxable income if the tax assessment will lower the personal income tax burden (*Günstigerprüfung*) or in order to set off losses or make use of the lump sum tax allowance if this has not already happened in the withholding process. However, even in this case, the investment income and private capital gains will have to be taken into account at their gross amount, i.e. any income-related expenses except for the above mentioned lump-sum tax allowance will not be deductible from the Security Holder's tax base.

Losses from the sale, assignment or redemption of the Certificates can only be set-off against other investment income including capital gains. If the set-off is not possible in the assessment period in which the losses have been realized, such losses can be carried forward into future assessment periods only and can be set-off against investment income including capital gains generated in these future assessment periods.

In its decree dated 9 October 2012 (IV C 1 – S 2252/10/10013) the German Federal Ministry of Finance (*Bundesfinanzministerium*) has taken the position that a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) shall, in general, not be treated as a sale. Accordingly, losses suffered upon such bad debt loss or waiver shall not be deductible for tax purposes. Furthermore, according to the decree dated 9 October 2012 the German Federal Ministry of Finance holds the view that a disposal (*Veräußerung*) (and, as a consequence, a tax loss resulting from such disposal) shall not be recognized if the sales price does not exceed the actual transaction cost.

If the income from the Certificates is allocable to income from leasing and letting of property or income from self-employed activity, the flat tax regime is not applicable. In such case, any tax withheld will be credited against the personal income tax. The income from the Certificates is then taxable at the personal income tax rates of up to 45% (plus solidarity surcharge thereon of 5.5% and, if applicable, church tax); related expenses are deductible.

The section Withholding Tax below is supplementary to the above.

#### *Certificates as business assets*

Interest income and capital gains derived by German resident corporate Security Holders will be subject to corporate income tax at a rate of 15 % (plus solidarity surcharge thereon of 5.5 %) and trade tax. In case of Certificates held by an individual as a business asset, the interest income and capital gains will be taxable at the personal income tax rates of up to 45% (plus solidarity surcharge thereon of 5.5% and, if applicable, church tax) and trade tax. Losses incurred upon the sale or redemption of the Certificates may give rise to negative income. If certain types of Certificates had to be qualified as derivative instruments, restrictions with respect to the claiming of losses may apply.

Interest income and capital gains derived by German resident partnerships are subject to trade tax at the level of the partnership. Profits realised by partnerships will be allocated to the partners for (corporate) income tax purposes. Individuals as partners are subject to income tax at their respective income tax rate. Corporations as partners are subject to corporate income tax.

The section Withholding Tax below is supplementary to the above.

#### **Withholding Tax**

Withholding tax, if applicable, is levied at a uniform rate of 25% plus solidarity surcharge thereon of 5.5% and, if applicable, church tax. A German branch of a German or non-German bank, financial services institution, or securities trading bank or business ("Disbursing Agent") is in principle obliged to withhold withholding tax and pay it to the German tax authorities for the account of the Security Holder.

Where Certificates are held in a custodial account that the Security Holder maintains with a Disbursing Agent, withholding tax will be levied on the gross interest payments. In the event that the disposition, redemption, repayment or assignment of a Certificate is made or commissioned through an agent effecting such disposition, redemption, repayment or assignment commission, withholding tax is levied on the capital gains from the transaction. In principle, the basis for calculation is the interest amount or the difference between the income from the sale or repayment after deduction of expenses that are directly related to the sale transaction or the repayment, and the acquisition costs.

To the extent the Certificates have not been kept in a custodial account with the Disbursing Agent since the time of acquisition, upon the disposal, redemption, repayment or assignment, the withholding tax rate is applied to 30% of the disposal proceeds, unless the Security Holder provides evidence of

the actual acquisition cost by submitting a certificate of the previous Disbursing Agent or a foreign credit or financial services institution within the European Economic Area.

In general, no withholding tax will be levied if the Security Holder is an individual (i) whose Certificates do not form part of the assets of a German trade or business and are not allocated to income from a self-employed activity (*selbstständige Arbeit*) or from leasing and letting of property, and (ii) who files an exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the interest income and capital gains from the Certificates together with the other income from capital investment does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Security Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office.

The personal income tax liability of a Security Holder holding the Certificates as private assets which are not allocable to a trade or business, to income from a self-employed activity (*selbstständige Arbeit*) or from the leasing and letting of property is, in principle, settled by the tax withheld. However, if the Security Holder is owing church tax and no church tax is withheld by the Disbursing Agent, the holder remains obliged to file a tax return. In case of interest and capital gains received after 31 Dezember 2014, church tax is collected by way of withholding as a standard procedure unless the Security Holder filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). A tax assessment may be applied for in the cases outlined above. In assessment cases and in cases where the Certificate is held as a business asset or is allocable to other types of income, the withholding tax is credited against the income tax or corporate income tax liability of the Security Holder, or is refunded.

Taxes on the capital gains of a private law corporation that is subject to unlimited taxation in Germany and not exempt from corporate income tax, and that is neither a domestic bank, nor a domestic financial institution nor a domestic investment company, are not collected in the form of withholding tax. In the case of certain specific groups of corporations, this applies only if they provide evidence falling under this group of taxpayers by a certificate from their competent tax office.

To the extent that the capital gains represent business income of a domestic business establishment and the sole proprietor declares this to be so to the domestic disbursing agent on the officially required standard form, the domestic disbursing agent does not need to deduct an amount as withholding tax.

Upon application, withholding tax deductions must not be withheld from capital gains that constitute operating income if and when the withholding tax on the shareholder – given the nature of his business – would be higher, in the long run, than the total personal or corporate income tax to be assessed.

### **Non-Residents**

Interest, including accrued interest, and capital gains are not subject to German taxation, unless (i) the Certificates form part of the business property 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 German source income such as income from the letting and leasing of certain property located in Germany. In cases (i) and (ii) a regime similar to that above in the section "Tax Residents", including the withholding tax regime, applies; capital gains from the disposition of Certificates are, however, only taxable in the case of (i).

The withholding tax may be refunded based upon an applicable tax treaty.

### **Inheritance and Gift Tax**

No inheritance or gift taxes with respect to any Certificate will arise under the laws of Germany, if, in the case of inheritance tax, neither the descendant nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Certificate is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates, i.e. citizens who maintained a residence in Germany.

### **Other Taxes**

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Certificates. Germany and other EU Member States intend to introduce a financial transaction tax (see also "Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax" under 2.1.1 Risks related to the



business of Erste Group). However, it is unclear if and in what form such tax will be actually introduced. In case such a tax is introduced, the acquisition and disposal of the Certificates (in the secondary market) would be subject to a tax of at least 0.1% of the acquisition or disposal price. Currently, net assets tax is not levied in the Germany.

### **EU Savings Tax Directive**

Concerning the EU Council Directive 2003/48/EC on the taxation of savings income, refer to the paragraph on the European Union Savings Directive below.

By legislative regulation dated 26 January 2004, the Federal Government enacted provisions implementing the Directive into German law. These provisions apply from 1 July 2005.

## **HUNGARY**

### **General**

*The purpose of the following description is to provide a high-level overview of the relevant Hungarian tax rules based on the laws in force in Hungary as of the date of this Prospectus. The present description does not include a comprehensive analysis of all tax implications that might be relevant to an investment decision. Please note that this disclosure does not substitute for the consultation between the prospective investors and their professional advisors since in order to determine the tax implications of a particular transaction several circumstances should be examined and considered in detail.*

*As far as permitted by law, the Issuer assumes no responsibility with respect to taxes withheld at source.*

### **Residents**

#### ***Private individuals***

Hungarian resident individuals are subject to personal income tax on their worldwide income. It may occur that the source country, if other than Hungary, imposes a withholding tax on income derived from that country. In order to eliminate double taxation, the Hungarian domestic legislation could grant credit for the taxes paid abroad. In case of double taxation treaties in force between the two countries concerned, the relevant double taxation treaty rules will apply and would overrule domestic tax legislation.

#### ***Interest***

The Hungarian Personal Income Tax Act applies a broad definition of interest income; in connection with publicly offered and traded debt securities and collective investments in transferable securities, interest shall mean the following:

- a) the income paid to the private individual under the title of interest and/or yield, if the securities are held at a specific time prescribed as a precondition for entitlement to interest and/or yield,
- b) in certain cases, the capital gains achieved when securities are called, redeemed, or transferred. In connection with collective investments in transferable securities, redemption shall also cover when the securities are exchanged upon the transformation or merger of the investment fund for the investment certificates of the successor fund. Gains from the transfer of collective investments in transferable securities in certain qualified exchange markets or in a market of an EU, EEA or OECD State will not qualify as interest income, but will be considered as income from capital for Hungarian tax law purposes.

Any interest income derived by the Certificate Holders which qualifies under the above definition would be subject to personal income tax at a rate of 16% in 2014. In the event that the interest income is paid in the form of valuable assets (e.g. securities) and the Hungarian paying agent cannot withhold the relevant tax, the taxable base would be assessed in the amount of the fair market value of the valuable asset received multiplied by 1.19 or if interest income would be subject to health tax, the multiplication rate shall be 1,28. Health tax ('egészségügyi hozzájárulás', 'EHO') at the rate of 6% will also apply to private individuals' interest income realized after 1 August 2013, if no exemption could apply. The possibilities for exemption are very limited.

In the event that the interest income is received from a Hungarian paying agent, such paying agent should withhold the personal income tax and the health tax. If the interest income is not received from a paying agent, taxes should be assessed, declared and paid to the tax authority by the private individual himself within the frame of his regular annual tax return.

If the interest income is received from a country other than Hungary, the rules of the relevant double taxation treaty will also apply for the assessment of the personal income tax obligations. In the absence of a double taxation treaty, the Hungarian tax burden may be reduced by the tax paid abroad. However, the maximum amount of the credit will be subject to certain limitations.

Payments distributed by 'controlled foreign taxpayers' would be subject to personal income tax at a 16% rate. In the unlikely situation that the payer of the interest would qualify as a controlled foreign taxpayer for Hungarian tax purposes, the recipient should pay a 27% of health tax ('*egészségügyi hozzájárulás*', 'EHO'), in addition to the personal income tax.

#### *Capital gains*

As explained under the above section, capital gains achieved when debt securities are redeemed or transferred would be generally treated as interest income for Hungarian personal income tax purposes. If the gains realized on the Certificates by the Certificate Holders do not qualify as interest income, the gains would be generally recognized as income from capital gains (unless preferential regimes apply, e.g. 'controlled capital market transactions' or 'qualifying long-term investments').

Capital gain income derived by a resident private individual from the Certificates would be subject to personal income tax at 16% and to health tax ('*egészségügyi hozzájárulás*', 'EHO') at 14% (the latter is capped at HUF 450,000 *per annum*, which is approximately EUR 1,450). Taxes should be withheld by the paying agent, if the service provider qualifies as a Hungarian paying agent; otherwise, the tax shall be assessed, reported and paid by the private individual directly within the frame of his regular annual tax return. If the income from capital gain is received from abroad, the rules of the relevant double taxation treaty could overrule the domestic personal income tax rules. In the absence of a double taxation treaty, the Hungarian personal income tax to be paid could be reduced by the tax paid abroad, subject to certain limitations. In any case, the Hungarian tax shall be at least 5% of the income.

Payments distributed by 'controlled foreign taxpayers' would be subject to personal income tax at a 16% rate. In the unlikely situation that the payer of the interest would qualify as a controlled foreign taxpayer for Hungarian tax purposes, the recipient should pay a 27% of health tax ('*egészségügyi hozzájárulás*', 'EHO'), in addition to personal income tax.

Private individual Certificate Holders shall keep detailed records of all Certificates in their possession. Purchase, transfer, exercise, etc. of Certificates must be also recorded. Records shall be supported by appropriate certificates issued by the issuer (if applicable). The certificates should contain all data and information necessary for determining the taxable income and fulfilling the tax obligations. The statutory data to be indicated in the records are prescribed by law.

#### *Income from 'controlled capital market transactions'*

On certain conditions, preferential personal income tax rules may apply to income from 'controlled capital market transactions' of private individuals.

For the purpose of these preferential rules, 'controlled capital market transactions' include, among others, certain qualifying transactions concluded with investment service providers, or by the assistance of an investment service provider, in each case for the sale or purchase of financial instruments, goods and foreign currencies at fair market value. Transactions must comply with the respective Hungarian rules and should be carried in the form of activities supervised by the Hungarian National Bank. ('MNB', which is the successor of Hungarian Financial Supervisory Authority PSZÁF).

Preferential rules on 'controlled capital market transactions' could also apply where private individuals conclude any of the above OTC transactions with an investment service provider operating in any EEA member state, or any other state with which Hungary has an agreement on the avoidance of double taxation, provided that (a) the transaction is executed within the framework of activities supervised by the competent financial supervisory authorities of that state, and (b) if the given state is not an EEA member state, there are facilities in place to ensure the exchange of information between the competent authorities and MNB, and (c) the private individual has a certificate made out by the

investment service provider to his name, containing all data and information for each transaction concluded during the tax year for the assessment of his tax liability.

As a general rule, interest income as defined under the Interest section above cannot qualify for the application of the preferential rules on 'controlled capital market transactions'. However, if the income realized in connection with the call, redemption or transfer of the Certificates is generated before 1 August 2013, the private individual can opt for treating the income as income from 'controlled capital market transactions' rather than interest income, provided that all other conditions prescribed by law fulfil. The option is not available after 1 January 2014, however.

Income from 'controlled capital market transactions' shall be calculated as the difference between the total profit and the total loss realized on the transactions during the tax year. In 2014, a 16% personal income tax rate would apply on that income.

Due to the preferential tax treatment of 'controlled capital market transactions', the private individual could be entitled to tax compensation with respect to losses realized from controlled capital market transactions during the tax year and/or during the year preceding the current tax year, and/or in the two years preceding the current tax year. Tax 'calculated' for such losses could reduce the taxes calculated on gains realized by the private individual from controlled capital market transactions during the tax year and/or during the year preceding the current tax year, and/or in the two years preceding the current tax year.

The profit realized on 'controlled capital market transactions' and the tax payable on such income should be declared on the basis of self-assessment executed by the private individual and supported by an appropriate certificate of execution issued by the investment service provider. The private individual should pay the tax by the deadline prescribed for filing the tax return for the respective period.

#### *Income from 'qualified long-term investments'*

On certain conditions, preferential personal income tax rules may apply to gains derived by the Certificate Holders, if the gains are derived in the form of income from 'qualified long-term investments'.

Income from 'qualified long-term investments' shall mean the profit that the private individual realizes under a long-term investment contract concluded with an investment service provider or a credit institution. Under the long-term investment contract the private individual places an amount equal to at least HUF 25,000 (approx. EUR 80) on his account for a minimum period of three (and further two) years, and the parties agree on applying the preferential taxation rules laid down by the Hungarian Personal Income Tax Act. If all the conditions prescribed by law fulfil and the 'qualified long-term investment' is held for less than three years, for the 2014 tax year a 16% rate would apply, while if the investment lasts at least three years, a preferential 10% rate is applicable; income from 'qualified long-term investments' would be subject to a 0% rate, if the investment is held for at least five years.

According to the new regulations from 1 January 2014 private individuals have the possibility to transfer the whole amount of the terminated long term investments to an other financial institute. This is called by the law "deposit transfer".

If the underlying long-term investment contract is entered into after 1 August 2013, health tax ('egészségügyi hozzájárulás', 'EHO') at the rate of 6% would also apply, if the 'qualified long-term investment' is held for less than three years.

Please note that profits and losses derived in the framework of a 'qualified long-term investment' could not qualify for the calculation of income derived from 'controlled capital market transactions' as described above.

### **Corporations**

#### *Interest*

Interest income of a Hungarian resident corporation shall be included in the ordinary corporate income tax base and as a consequence would be subject to Hungarian corporate income tax at a rate of 19% in 2014. However, for that part of the corporate income tax base not exceeding HUF 500 million (approximately EUR 1,610,000), a reduced 10% rate would apply.

If any interest income is also subject to tax abroad, the rules of the relevant double taxation treaty will apply. In the absence of a double taxation treaty the domestic Hungarian rules will provide for a credit

opportunity, as a result of which the tax paid abroad could be credited against the Hungarian corporation tax. However, the maximum amount of the foreign tax to be credited against is subject to certain limitations.

#### *Capital gains*

Income from capital gains of a Hungarian resident corporation would be included in the ordinary corporate income tax base and subject to corporate income tax at 19%. A reduced 10% rate would apply to the part of the corporate income tax base not exceeding HUF 500 million (approx. EUR 1,610,000).

If any income from capital gains is also subject to tax abroad, the rules of the relevant double taxation treaty will apply. In the absence of a double taxation treaty, the tax paid abroad can be credited against the Hungarian corporate income tax under the Hungarian domestic rules. The maximum amount of the tax credit would be subject to certain limitations.

### **Non-residents**

#### ***Private individuals***

##### *Interest*

Interest income of a non-resident private individual generally is not subject to Hungarian personal income tax. Please note, however, that in case the interest is payable via a Hungarian place of business (permanent establishment), branch or commercial representation of the obligor, or if the interest payable is in fact tied to the non-resident private individual's Hungarian place of business, the interest income should be regarded as Hungarian source income and thus should be taxed in Hungary. In such case the Hungarian source income will be taxed at 16%. This tax rate is usually overruled and limited by double taxation treaties (if applicable). If a Hungarian paying agent provides the interest payment to the private individual, it should deduct the tax, otherwise the private individual himself should assess, declare and pay the tax to the Hungarian Tax Authority.

##### *Capital gains*

Non-resident private individuals would not be subject to Hungarian personal income tax on capital gains derived from the Certificates. In the unlikely event that a Hungarian double taxation treaty allocates the taxation rights to Hungary instead of the recipient's residence state, Hungarian withholding tax may apply on capital gains.

#### ***Corporations***

##### *Interest*

Any interest income of a non-resident corporation should be taxable in Hungary only if it relates to the corporation's Hungarian business activity carried on by its Hungarian permanent establishment. The applicable corporate income tax rate is 19% in 2014. However, the part of the overall corporate income tax base not exceeding HUF 500 million (approximately EUR 1,610,000) would be taxed at a reduced 10% rate. Double taxation treaties may limit or eliminate this tax burden.

##### *Capital gains*

A non-resident corporation would be taxed in Hungary on capital gains from the Certificates only if the gains are derived through a Hungarian permanent establishment. The applicable corporate income tax rate would be 19%, however, a reduced 10% rate would apply to the tax base not exceeding HUF 500 million (approx. EUR 1,610,000).

A Hungarian double taxation treaty might override the domestic rules and allocate the taxation right to the resident state.

### **Inheritance and gift tax**

Obtaining the Certificates as part of a Hungarian inheritance would incur Hungarian inheritance tax, regardless of the successor's tax residency. In case of a non-Hungarian inheritance, inheritance tax could only arise if the successor (private individual or corporation) is tax resident in Hungary. Even in such case, no inheritance tax should be paid if the successor certifies that inheritance tax was due in the country of inheritance.

The generally applicable inheritance tax rate is 18%. Inheritance between relatives of lineal kinship would be exempt, and further exemptions may also apply.

The donation of the Certificates would be subject to gift tax if the donation takes place in Hungary, regardless of the residency of the parties. The generally applicable gift tax rate is 18%. No gift tax is due on donations between relatives of lineal kinship. If the value of the transferred assets does not exceed HUF 150,000 (approx. EUR 480) and the parties do not conclude a written agreement regarding the donation, no gift tax has to be paid. Further exemptions may also apply.

### **Further tax considerations**

Hungary has introduced a financial transaction tax ('**Hungarian FTT**') as of 1 January 2013. The Hungarian FTT is levied on financial service providers, financial institutions and intermediary service providers seated in Hungary or having a Hungarian branch. Even if the Hungarian FTT would not be imposed on Certificate-Holders directly, the Hungarian FTT may have an impact on Hungarian bank charges.

### **Implementation of the EU Savings Directive**

Hungary has implemented the EU Savings Directive. Therefore, Hungarian authorities will provide other EU Member States' tax authorities with the details of qualifying payments made by Hungarian paying agents to tax resident individuals in other Member States.

## **ROMANIA**

### **General**

The main taxes and charges in Romania are covered by the Fiscal Code (Law no. 571/2003 regarding the Fiscal Code, as subsequently amended), enforced on 1 January 2004 and designed to bring more stability over the Romanian fiscal regime. However, the legislation and regulations regarding taxation in Romania as well as the related procedures are still developing and subject to change and at times unclear.

Thus, both the substantive provisions of Romanian tax law and the interpretation and application of those provisions by the Romanian tax authorities may be subject to more rapid and unpredictable change than in jurisdictions with more developed capital markets.

Moreover, the still evolving situation in Romania and the limited precedent in legislative interpretation or in the manner in which related practical procedures are to be followed may result in inconsistencies and contradictions of the Romanian tax authorities in interpreting various tax rules and regulations.

The following information is based on the Romanian legislation in force as of 29 October 2014 and may be subject to any changes based on the changes to be brought in the Romanian laws. The current Romanian tax law does not provide for specific tax treatment applicable to each type of Certificates intended to be issued by the Issuer. Therefore, the information below is of a general nature and is not intended as an exhaustive list of all the Romanian tax implications which could arise in relation with each type of Certificates and which could be relevant to a decision to purchase, own or dispose of any of the Certificates. Prospective investors in the Certificates should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

The Romanian law defines securities (*titluri de valoare*) as being any transferable securities (bonds and other receivable titles, including treasury bonds with maturity of both over or less than one year, traded on the capital markets), units in an open investment fund or other financial instrument, qualified as such by the National Securities Commission, including derivative financial instruments, and shares. Therefore, the Certificates intended to be issued may be classified as securities under the Romanian law.

Please be aware that Romanian tax law does not specifically define capital gains for taxation purposes. Under Law 571/2003 as amended and the related Norms for Application approved by Government Decision 44/2004 as amended ("domestic law" or the "Fiscal Code"), capital gains realised by legal entities are subject to corporate income tax, while capital gains realised by individuals are taxed as investment income.

As a general rule, under the Romanian tax legislation, the Issuer would not assume responsibility with respect to Romanian taxes withheld at source. However, this aspect should be analysed from an Austrian law and relevant double tax treaty perspective, depending also on the type of income that would be paid by the Issuer at a given point in time.

## **Receipt of Certificates**

In principle, the receipt of Certificates should not have any adverse Romanian tax implications.

## **Holding of the Certificates**

Under the Certificates Programme, holders of Certificates do not receive any income – e.g. dividends or interest during the holding of Certificates. Therefore the tax aspects of this type of income paid to a Romanian tax resident or non-residents are not presented below.

According to the Romanian Fiscal Code, taxable profits should be computed as the difference between income derived from any sources (less non-taxable income) and related expenses (less non-deductible expenses, as provided by the law).

According to the Application Norms to the Fiscal Code, income and expenses generated by subsequent revaluation of derivative financial instruments (e.g. Certificates) booked according to accounting regulations shall be taken into account for the purpose of determining the taxable profits (i.e. should be treated as taxable, respectively deductible for profits tax purposes).

The mere holding of the Certificates should not have Romanian income tax implications for individual holders.

## **Execution of the Certificates**

### *Profits / Income tax considerations*

According to the Application Norms to the Fiscal Code, income and expenses generated by the execution of derivative financial instruments (e.g. Certificates) booked according to accounting regulations should be taken into consideration for the purpose of determining the taxable profits (i.e. should be treated as taxable, respectively deductible for profits tax purposes).

In respect of individuals, income realized by resident individuals shall be subject to 16% tax in Romania, unless specifically mentioned as non-taxable. Therefore, any potential income which would be realized by resident individuals upon the execution of derivative financial instruments (e.g. Certificates) would be taxable with 16% income tax. However, the nature of income (e.g. investment income, income from other sources, etc.) and the procedure to be followed in order to discharge such tax liabilities to the Romanian tax authorities should be investigated on a case-by-case basis.

### *VAT considerations*

Under the Romanian VAT legislation, there may be arguments to sustain the fact that the execution of the Certificates should be VAT exempt without credit. However, in case the execution of the Certificates implies e.g. a physical transfer of goods, the VAT treatment of such transactions should be investigated on a case by case basis, as the aforementioned VAT exemption would no longer apply.

## **Sale of the Certificates**

### **Residents**

Resident entities as well as legal entities having their registered office in Romania, but incorporated as per the European legislation (i.e. European companies) are subject to 16% tax on worldwide income. Fiscal losses incurred by Romanian legal entities can be carried forward for seven consecutive fiscal years starting with fiscal losses incurred in 2009. An entity is resident in Romania if it is incorporated according to the Romanian legislation, if it is a foreign legal person having its place of effective management in Romania or if it is a legal entity having its registered office in Romania and it is incorporated according to the European legislation.

Under the current domestic tax law, capital gains obtained by a Romanian resident legal entity are subject to corporate income tax at the standard rate of 16% (which applies on the worldwide income of the Romanian legal entity), since there is no separate capital gains taxation concept in Romania. In case any tax is retained on such gains obtained by a Romanian legal entity from foreign countries, a tax credit may be available to the Romanian legal entity (depending also on the relevant provisions of the Double Tax Treaties concluded by Romania with the respective countries – if the case) within the limit established by applying the Romanian corporate income tax rate (i.e. 16%) to the taxable income obtained.

Romanian tax resident individuals (i.e., Romanian citizens with their domicile in Romania and non-residents fulfilling certain residency criteria according to the Fiscal Code) are subject to 16% income

tax on their worldwide income, including capital gains. Capital gains are computed as the difference between the selling price and the acquisition price of the securities, including any other commissions, taxes or other amounts paid upon the acquisition of the respective securities.

Annual net tax losses could be recovered by resident individuals from the annual net earnings obtained in the following seven consecutive fiscal years if such losses are incurred as a result of the transfer of securities, other than those related to closed companies (closed companies being generally referred to as not listed companies). Similarly, foreign net tax losses incurred by Romanian resident individuals may be reported and offset against income having the same nature and source, and received from the same source-country in the following seven consecutive fiscal years if such losses are incurred as a result of the transfer of securities other than social parts or securities related to closed companies.

The administrative side related to capital gains tax liabilities should be investigated at the time when the Certificates are transferred, since the Romanian tax legislation is not particularly clear and may suffer changes in this respect.

***Non-residents (including Romanian permanent establishments - e.g. branches - of a foreign legal entity)***

Capital gains obtained by non-resident individuals from trading in any type of securities are subject to taxation in Romania if they qualify as Romanian-sourced income. There are arguments which may be brought to sustain the fact that the Certificates have no connection to Romania and hence the related capital gain (if any) should not be deemed as Romanian-sourced income. However, the taxation of such capital gains should be analysed on a case by case basis, based on the specific conditions of the transactions and the applicable legislation.

Income derived by non-resident collective placement bodies without corporate status from the transfer of securities, respectively of shares, held directly or indirectly in a Romanian legal entity, is not taxable in Romania.

Under the Fiscal Code capital gains obtained by non-resident legal entities from the alienation of the Certificates issued by the Austrian issuer are not subject to taxation in Romania. Although under the Fiscal Code such income is not taxable in Romania, a provision under the Norms to the Fiscal Code appears to extend the Romanian taxation to capital gains arising from all types of securities traded by non-residents. This clause is considered to extend the scope of the Fiscal Code and therefore clarification on its application should be sought with the Romanian tax authorities.

In case of Romanian permanent establishments of foreign legal entities, the tax implications described above in the 'Residents' chapter would be applicable. The implications should nevertheless be checked on a case-by-case basis.

*VAT considerations*

Under the Romanian tax legislation, trading of financial instruments (such as the Certificates) is normally VAT exempt without credit. However, care should be taken as certain types of derivatives do not explicitly fall in the scope of VAT exemption under the Romanian and EU legislation and could trigger VAT implications.

**Inheritance and Gift Tax**

No Romanian inheritance or gift tax generally applies. If the Certificates are granted free of charge to a Romanian tax resident individual by an employer, the value of the gift may be subject to Romanian income tax (at 16%) and related social security contributions as benefits in-kind.

**EU SAVINGS DIRECTIVE**

Under Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments as amended ("**EU Savings Directive**"), each EU Member State is obliged to provide to the tax authorities of other EU Member States details of payments of interest paid by a paying agent within its jurisdiction to an individual resident in another EU Member State, except that originally Austria, Belgium and Luxembourg had instead imposed a withholding system for a transitional period (the ending of such transitional period being dependent upon the conclusion of agreements relating to information exchange with certain other countries) unless during such period they elect otherwise. Belgium abandoned the transitional withholding system and has provided information in accordance with the EU Savings Directive since 1 January 2010, and Luxembourg

announced that it will also switch to the exchange of information system as of 1 January 2015. A number of other non-EU countries and territories, including Switzerland, have agreed to adopt measures similar to those contained in the EU Savings Directive (a withholding system in the case of Switzerland) with effect from the adoption of the EU Savings Directive. Council Directive 2014/48/EU of 24 March 2014 amending Directive 2003/48/EC on taxation of savings income in the form of interest payments broadens the definition of interest income and extends the scope to interest income derived by individuals via certain entities.



## 10. SUBSCRIPTION AND SALE

The sale and/or distribution of the Certificates may be subject to restrictions in various jurisdictions. The Issuer may from time to time request the FMA to provide to competent authorities of Member States of the European Economic Area a notification concerning the approval of the Prospectus.

Except for publishing and filing the Prospectus, the Issuer has not taken any measures and will not take any measure in order to make the public offer of the Certificates or their possession or the distribution of offer documents relating to the Certificates permissible in a jurisdiction where special measures have to be taken for this purpose. Certificates may be offered, sold, or delivered within a jurisdiction or originating from a jurisdiction only, if this is permitted pursuant to applicable laws and other legal provisions and if no obligations arise for the Issuer.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") the Issuer has not made and will not make an offer of Certificates which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Certificates to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Certificates specify that an offer of those Certificates 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 prospectus in relation to such Certificates 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 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 prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to a 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 dealer or dealers offering the Certificates in the Relevant Member State 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 or pursuant to any applicable national law of any Relevant Member State,

provided that no such offer of Certificates referred to in (b) to (d) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Certificates to the public**" in relation to any Certificates 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 Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

The Issuer may include further selling restrictions in the Final Terms issued in respect of the issue of Certificates to which it relates or in a supplement to the Prospectus.

The Certificates have not been and will not be registered under the Securities Act and may include Certificates in bearer form that are subject to U.S. tax law requirements. Certificates may not be offered, sold or delivered within the United States or, for the account and benefit of U.S. persons.

## 11. FORM OF FINAL TERMS (GERMAN AND ENGLISH LANGUAGE)

| <b>FORM OF FINAL TERMS</b>  | <b>MUSTER DER ENDGÜLTIGEN BEDINGUNGEN</b>   |
|---|---|
| <b>Final Terms dated</b>  | <b>Endgültige Bedingungen vom</b>   |
| <i>[insert date: ●]</i>   | <i>[Datum einfügen: ●]</i>  |
| <i>[in the case of an increase of issue size, insert: Final Terms dated [insert date: ●] (the "[First][●] Increase of Issue Size"), which are being consolidated with the outstanding [insert description of the Certificates: ●] ([WKN ●][●]) issued on [insert date of the first issue: ●][insert additional issue where applicable: ●] under the Prospectus dated [insert date: ●] into a single issue.]</i> | <i>[im Fall einer Aufstockung einfügen: Endgültige Bedingungen vom [Datum einfügen: ●] (die "[erste][●] Aufstockung"), die mit den ausstehenden, am [Datum der Erstemission einfügen: ●][Gegebenenfalls weitere Emission einfügen: ●] zum Prospekt vom [Datum einfügen: ●] begebenen [Bezeichnung der Zertifikate einfügen: ●] ([WKN ●][●]) konsolidiert werden und eine einheitliche Emission bilden.]</i> |
| in relation to the  | zum   |
| Base Prospectus   | Basisprospekt   |
| in accordance with Section 1 (1) Nr. 17 of the Austrian Capital Market Act ( <i>Kapitalmarktgesetz</i> )  | gemäß § 1 (1) Nr. 17 Kapitalmarktgesetz   |
| <b>Erste Group Bank AG</b><br>( <b>Issuer</b> )   | <b>Erste Group Bank AG</b><br>( <b>Emittentin</b> )   |
| <b>[●] CERTIFICATES</b>   | <b>[●] ZERTIFIKATEN</b>   |
| linked to   | bezogen auf   |

|   |   |
|---|---|
| [an Index]  | [einen Index]   |
| [a Share]   | [eine Aktie]  |
| [a basket of Shares]  | [einen Aktienkorb]  |
| [a Currency Exchange Rate]  | [einen Währungs-Wechselkurs]  |
| [an Interest Rate]  | [einen Zinssatz]  |
| [a Commodity]   | [einen Rohstoff]  |
| [a Futures Contract]  | [einen Futures Kontrakt]  |
|   |   |
| <i>These Final Terms relate to the Base Prospectus dated [●] as supplemented from time to time.</i> | <i>Diese Endgültigen Bedingungen beziehen sich auf den Basisprospekt vom [●] einschließlich etwaiger zukünftiger Nachträge.</i> |

|  |   |
|--|---|
| The subject of the Final Terms are [●] Certificates linked to a[n] [Index] [Share] [basket of Shares] [Currency Exchange Rate] [Interest Rate] [Commodity] [Futures Contracts] (the " <b>Certificates</b> "), which are issued by Erste Group Bank AG (the " <b>Issuer</b> ").   | Gegenstand dieser Endgültigen Bedingungen sind von Erste Group Bank AG (die " <b>Emittentin</b> ") emittierte [●] Zertifikate bezogen auf eine[n] [Index] [Aktie] [Aktienkorb] [Währungs-Wechselkurs] [Zinssatz] [Rohstoff] [Futures Kontrakt] (die " <b>Zertifikate</b> ").  |
| <i>[Insert in the case of an increase, if applicable: The [insert number: ●] Certificates together with the [insert number: ●] Certificates with the securities identification number [WKN ●][●], issued under the Final Terms dated [insert date: ●] (the "<b>First Final Terms</b>") [insert additional issue where appropriate: ●] to the Prospectus dated [insert date: ●] as amended by any supplements, form a single series within the meaning of Section 4 (1) of the General Conditions, i.e. they have the same [WKN][●] and – with the exception of the number – the same features (referred to together as the "<b>Certificates</b>").]</i>      | <i>[im Fall einer Aufstockung einfügen: Die [Anzahl einfügen: ●] Zertifikate bilden zusammen mit den [Anzahl einfügen: ●] Zertifikaten der [WKN ●][●], die unter den Endgültigen Bedingungen vom [Datum einfügen: ●] (die "<b>Ersten Endgültigen Bedingungen</b>") [Gegebenenfalls weitere Emission einfügen: ●] zum Prospekt vom [Datum einfügen: ●] in der Fassung etwaiger Nachträge emittiert wurden, eine einheitliche Emission im Sinne des § 4 (1) der Allgemeinen Bedingungen, d. h. sie haben die gleiche [WKN][●] und – mit Ausnahme der Anzahl – die gleichen Ausstattungsmerkmale (zusammen die "<b>Zertifikate</b>").]</i>   |
| <b>The Final Terms have been prepared for the purpose of Article 5(4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as lastly amended by the Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus and its supplement(s) (if any). Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus (including any supplements, thereto and the documents incorporated by reference).</b> | <b>Die Endgültigen Bedingungen wurden im Einklang mit Artikel 5 (4) der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (wie zuletzt durch die Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010 geändert) (die "Prospektrichtlinie") erstellt und müssen zusammen mit dem Basisprospekt und etwaigen Nachträgen gelesen werden. Vollständige Informationen zur Emittentin und dem Angebot der Zertifikate ergeben sich nur aus der Zusammenschau dieser Endgültigen Bedingungen mit dem Basisprospekt (einschließlich eventueller zugehöriger Nachträge und den durch Verweis einbezogenen Dokumenten).</b> |

|  |  |
|--|--|
| <p>The Final Terms to the Base Prospectus are represented in the form of a separate document according to Article 26(5) of the Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended (the "<b>Prospectus Regulation</b>").</p>   | <p>Die Endgültigen Bedingungen zum Basisprospekt haben die Form eines gesonderten Dokuments gemäß Artikel 26 (5) der Verordnung (EG) Nr. 809/2004 der Kommission vom 29. April 2004, in der geltenden Fassung (die "<b>Prospektverordnung</b>").</p>   |
| <p>The subject of the Final Terms is determined by Article 22(4) of the Prospectus Regulation. Accordingly, the Final Terms (i) contain new information in relation to information items from the securities note schedules which are listed as Categories B and C in Annex XX of the Prospectus Regulation, and (ii) replicate or make reference to options already provided for in the Base Prospectus which are applicable to the individual series of Certificates.</p>  | <p>Der Gegenstand der Endgültigen Bedingungen bestimmt sich nach Artikel 22 (4) der Prospektverordnung. Entsprechend enthalten die Endgültigen Bedingungen (i) neue Informationen zu den Informationsbestandteilen der Schemata für die Wertpapierbeschreibung, die in Annex XX der Prospektverordnung als Kategorie B- und Kategorie C-Informationsbestandteile aufgeführt werden, und (ii) wiederholen bzw. verweisen auf bereits im Basisprospekt angelegte optionale Bestandteile, die auf die jeweilige Serie von Zertifikaten Anwendung finden.</p>  |
| <p><b>The Base Prospectus, any supplements thereto and the Final Terms are published by making them available free of charge at Erste Group Bank AG, Graben 21, 1010 Vienna, Austria, and in another form as may be required by law. Furthermore, these documents are published in electronic form on the website (<a href="http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006">http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006</a> or, in relation to Final Terms, <a href="http://produkte.erstegroup.com">http://produkte.erstegroup.com</a>).</b></p> | <p><b>Der Basisprospekt, eventuell zugehörige Nachträge sowie die Endgültigen Bedingungen werden durch zur kostenlosen Ausgabe bei der Erste Group Bank AG, Graben 21, 1010 Wien, Österreich bereitgehalten und, sofern gesetzlich erforderlich, in einer anderen Form veröffentlicht. Darüber hinaus sind diese Dokumente in elektronischer Form auf der Webseite (<a href="http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006">http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006</a> oder, hinsichtlich der Final Terms, <a href="http://produkte.erstegroup.com">http://produkte.erstegroup.com</a>) veröffentlicht.</b></p> |
| <p><b>An issue specific summary, fully completed for the Certificates, is annexed to these Final Terms.</b></p>  | <p><b>Eine emissionspezifische Zusammenfassung, die für die Zertifikate vervollständigt wurde, ist diesen Endgültigen Bedingungen beigelegt.</b></p>   |

| <p><b>CONTRACTUAL TERMS – ISSUE SPECIFIC CONDITIONS</b></p>  | <p><b>VERTRAGLICHE BEDINGUNGEN – Emissionsbezogene Bedingungen</b></p>   |
|--|--|
| <p><i>In respect of the Series of Certificates the Issue Specific Conditions as replicated in these Final Terms and the General Conditions as laid out in the Base Prospectus together shall constitute the Terms and Conditions applicable to the Series of Certificates (the "<b>Conditions</b>"). The Issue Specific Conditions as replicated in these Final Terms are to be read in conjunction with the General Conditions.</i></p> | <p><i>In Bezug auf die Serie von Zertifikate beinhalten die Emissionsbezogenen Bedingungen, in der Gestalt wie sie in diesen Endgültigen Bedingungen wiederholt werden, und die im Basisprospekt enthaltenen Allgemeinen Bedingungen die auf die Serie von Zertifikaten anwendbaren Zertifikatsbedingungen (die "<b>Bedingungen</b>"). Die Emissionsbezogenen Bedingungen, in der Gestalt wie sie in den jeweiligen Endgültigen Bedingungen wiederholt werden, müssen zusammen mit den Allgemeinen Bedingungen gelesen werden.</i></p> |
| <p><i>[insert applicable Product Specific Provisions (Part A.) and Underlying Specific Conditions (Part B.)]</i></p>   | <p><i>[anwendbare Produktbezogene Bedingungen (Teil A.) und Basiswertbezogene Bedingungen (Teil B.) einfügen]</i></p>  |

## ISSUE SPECIFIC CONDITIONS – ANNEX

Table 1 – in addition to Part A. Product Specific Conditions

Issue Date: [●]

Paying Agent, Calculation Agent: [●]

Quotations: bid and ask quotations will be published by the Issuer on [Reuters page "ERSTE02"] [●]

Website for notices: [●]

Securities Depository: [●]

Clearing System: [●]

Offer State[s]: [Austria] [,][and] [Germany] [,][and] [Croatia] [,][and] [the Czech Republic] [,][and] [Hungary] [,][and] [Romania]

[Controlling and binding language: ●]

| Type | Currency of the Certificate | ISIN | WKN | Underlying | [Initial Reference Price] [/ Strike] [/ Reverse Level] [Initial Cash Amount] [/ Initial Value of the Basket] | Volume / Minimum Trading Number | [Multiplier] [/ Bonus Level] [/ Cap 1] [/ Cap 2] [Barrier] [/Initial Stop-Loss Barrier] [Stop-Loss Buffer] [Maximum Amount[ 1]] [ / Maximum Amount 2]] | Initial Reference Date / First Trading Day / First Settlement Date] |
|------|-----------------------------|------|-----|------------|--|---------------------------------|--|---|
| [•]  | [•]                         | [•]  | [•] | [•]        | [•]  | [•]                             | [•]  | [•]   |

| [Last Trading Day][Exercise Date] [/ Final Valuation Date] | [Observation Period] [Start of the Exercise Period] | [Participation Factor[ 1]] [ / Participation Factor 2]] [Factor] [Financing Rate] [Margin <sup>6</sup> ]] | Settlement Currency / Reference Currency | [Minimum Exercise Number] [/ Maximum Exercise Number] | Initial Issue Price | [Transaction Fee] [/ Initial Transaction Fee] [ / Maximum Transaction Fee] [Management Fee] [/ Dividend Reinvestment Factor] | [Relevant Exchange] | [insert additional definition(s): [•] |
|--|---|---|--|---|---------------------|--|---------------------|---------------------------------------|
| [•]  | [•]   | [•]   | [•]                                      | [•]   | [•]                 | [•]  | [•]                 | [•]                                   |

<sup>6</sup> [The specified Margin is a maximum value which may be used for the calculation of the Financing Costs. The actual value of the Margin which will be used for the calculation of the Financing Costs on a specific day may be a lower than the maximum value, depending *inter alia* on the volatility of the Underlying or other marked parameters.][•]]

## **EMISSIONSBEZOGENE BEDINGUNGEN – ANNEX**

### **Tabelle 1 – in Ergänzung zu Teil A. Produktbezogene Bedingungen**

**Emissionstag: [•]**

**Zahlstelle, Berechnungsstelle: [•]**

**Preisquotierungen: An- und Verkaufspreise werden von der Emittentin auf [der Reutersseite "ERSTE02"] [•] veröffentlicht**

**Webseite für Bekanntmachungen: [•]**

**Verwahrstelle: [•]**

**Clearing System: [•]**

**Angebotsländer: [Österreich] [,][und] [Deutschland] [,][und] [Kroatien] [,][und] [der Tschechischen Republik] [,][und] [Ungarn] [,][und] [Rumänien]**

**[Rechtsverbindliche Sprache: •]**

| Typ | Währung des Zertifikats | ISIN | WKN | Basiswert | [Anfänglicher Referenzpreis] [/] [Basispreis] [/ Reverselevel] [Anfänglicher Auszahlungsbetrag][Anfangswert des Korbs] | Volumen / Mindesthandelsvolumen | [Bezugsverhältnis] [Bonuslevel] [Cap[ 1]][/ Cap 2]] [/ Barriere] [/ Anfängliche Stop-Loss Barriere] [/ Stop-Loss Puffer] [/ Höchstbetrag[ 1][ / Höchstbetrag 2]] | Anfänglicher Referenztag / Erster Handelstag [/ Erster Valutatag] |
|-----|-------------------------|------|-----|-----------|--|---------------------------------|--|---|
| [•] | [•]                     | [•]  | [•] | [•]       | [•]  | [•]                             | [•]  | [•]   |

| [Letzter Handelstag][ Ausübungstag] [/ Finaler Bewertungstag] | [Beobachtungszeitraum] [Beginn der Ausübungsfrist ] | [Partizipationsfaktor[ 1]][/ Partizipationsfaktor 2]] [Faktor][/ Finanzierungsrate][/ Marge <sup>7</sup> ]] | Auszahlungswährung/ Referenzwährung | [Mindestausbübungsmenge] [/ Höchstausübungsmenge] | Anfänglicher Ausgabepreis | [Transaktionsgebühr] [/ Anfängliche Transaktionsgebühr] [/ Maximale Transaktionsgebühr] [Managementgebühr] [/] [Dividenden-Reinvestitionsfaktor] | [Maßgebliche Börse] | [weitere Definition(en) einfügen: [•]] |
|---|---|---|-------------------------------------|---|---------------------------|--|---------------------|--|
| [•]   | [•]   | [•]   | [•]                                 | [•]   | [•]                       | [•]  | [•]                 | [•]                                    |

<sup>7</sup> [Die angegebene Marge stellt einen Maximalwert dar, der für die Berechnung der Finanzierungskosten herangezogen werden kann. Die tatsächliche Höhe der Marge, die zur Berechnung der Finanzierungskosten an einem bestimmten Tag zur Anwendung kommt, kann auch niedriger als der angegebene Maximalwert sein, abhängig u.a. von der Volatilität des Basiswerts oder anderer Marktparameter.][•]]



**Table 2 – in addition to Part B. Underlying Specific Conditions**

| <b>Underlying /<br/>Type of<br/>Underlying</b> | <b>ISIN of the<br/>Underlying</b> | <b>[Basket] [/]<br/>[Basket<br/>Constituent]</b> | <b>[[Initial] Weighting<br/>Factor][Relevant<br/>Number of Shares]</b> | <b>[Exchange Rate Screen Page] [/]<br/>[Exchange Rate Screen Page for<br/>the relevant Basket Constituent]</b> | <b>[Index Sponsor]<br/>[/] [Company]</b> | <b>[Related Exchange]<br/>[/] [Reference<br/>Market]</b> |
|--|-----------------------------------|--|--|--|--|--|
| [•]  | [•]                               | [•]  | [•]  | [•]  | [•]                                      | [•]  |

| <b>[Rollover Date] [/] [Relevant<br/>[Expiration Months][Months]] [/]<br/>[Initial] [Expiration Date]</b> | <b>[Underlying Price] [/] [Base Currency] [/]<br/>[Reference Currency] [/] [Reference Currency<br/>for the relevant Basket Constituent]</b> | <b>[Screen Page] [/] [Information Service<br/>Provider] [/] [Relevant Time]</b> | <i>[insert additional<br/>definitions:]</i> [•] |
|---|---|---|---|
| [•]   | [•]   | [•]   | [•]   |

**Tabelle 2 – in Ergänzung zu Teil B. Basiswertbezogene Bedingungen**

| <b>Basiswert /<br/>Art des<br/>Basiswerts</b> | <b>ISIN des<br/>Basis-<br/>werts</b> | <b>[Korb][/]<br/>[Korb-<br/>bestandteil<br/>]</b> | <b>[[Anfänglicher]<br/>Gewichtungs-<br/>faktor][Maßgebliche<br/>Anzahl Aktien]</b> | <b>[Wechselkurs-Bildschirmseite] [/]<br/>[Wechselkurs-Bildschirmseite für<br/>denjeweiligen Korbbestandteil]</b> | <b>[Index Sponsor] [/]<br/>[Gesellschaft]</b> | <b>[Maßgebliche Termin-<br/>börse] [/] [Referenz-<br/>markt]</b> |
|---|--------------------------------------|---|--|--|---|--|
| [•]   | [•]                                  | [•]   | [•]  | [•]  | [•]   | [•]  |

| <b>[Rollovertag] [/] [Maßgebliche<br/>[Verfallsmonate]<br/>[Monate]] [/] [Anfänglicher]<br/>[Verfalltermin]</b> | <b>[Kursreferenz] [/] [Handelswährung] [/]<br/>[Referenzwährung] [/] [Referenzwährung für<br/>den jeweiligen Korbbestandteil]</b> | <b>[Bildschirmseite] [/]<br/>[Wirtschaftsinformationsdienst] [/]<br/>[Maßgebliche Zeit]</b> | <b>[weitere Definition(en)<br/>einfügen].[•]</b> |
|---|---|---|--|
| [•]   | [•]   | [•]   | [•]  |

| OTHER INFORMATION   | WEITERE INFORMATIONEN   |
|---|---|
| <p><b><i>Interest of natural and legal persons involved in the issue/offer</i></b></p>  | <p><b><i>Interessen an der Emission beteiligter natürlicher und juristischer Personen</i></b></p>   |
| <p>[Concerning interests of individuals or legal entities involved in the issue as well as potential conflicts of interests resulting from this, see under "2.2.4. Risk factors relating to conflicts of interest" in Section "2.2 Factors which are material for the purpose of assessing the market risks associated with Certificates issued under the Programme" of the Base Prospectus.][●]</p>                    | <p>[In Bezug auf Interessen von an der Emission beteiligter natürlicher und juristischer Personen sowie daraus resultierender potentieller Interessenkonflikte siehe unter 2.2.4. Risikofaktoren in Bezug auf Interessenkonflikten" im Abschnitt "2.2 Faktoren, die wesentlich für die Beurteilung der mit den, unter dem Basisprospekt emittierten, Zertifikaten verbundenen Marktrisiken sind" des Basisprospekts.][●]</p>                    |
| <p><b><i>Offer method</i></b></p>   | <p><b><i>Angebotsmethode</i></b></p>  |
| <p>[The Certificates are being offered over-the-counter on a continuous basis ("tap issue" (<i>Daueremission</i>)).]</p>  | <p>[Die Zertifikate werden in einem freihändigen, fortlaufenden Angebot (<i>Daueremission</i>) angeboten.]</p>  |
| <p>The offer of the Certificates begins in [Austria][,][ and] [Germany][,][ and] [Croatia][,][ and] [the Czech Republic][,][ and] [Hungary][,][ and] [Romania] on [●].]</p>   | <p>Das Angebot der Zertifikate beginnt in [Österreich][,][ und] [Deutschland][,][ und] [Kroatien][,][ und] [der Tschechischen Republik][,][ und] [Ungarn][,][ und] [Rumänien] am [●].]</p>  |
| <p>[The Certificates are being offered during a subscription period at a fixed price plus an issuing premium. When the respective subscription period has ended, the Certificates will be sold over-the-counter.]</p>   | <p>[Die Zertifikate werden während einer Zeichnungsfrist zu einem festen Preis zuzüglich eines Ausgabeaufschlages angeboten. Nach Abschluss der jeweiligen Zeichnungsfrist werden die Zertifikate freihändig verkauft.]</p>   |
| <p>The subscription period begins on [●] and ends on [●].]</p>  | <p>Die Zeichnungsfrist beginnt am [●] und endet am [●].]</p>  |
| <p>The Issuer reserves the right to terminate [the subscription period][the offer] early for any reason whatsoever. [If a total subscription volume of [●] for the Certificates has been reached prior to the end of the subscription period at any time on a business day, the Issuer will terminate the subscription period for the Certificates at the relevant time on that business day without prior notice.]</p> | <p>Die Emittentin behält sich vor, [die Zeichnungsfrist][das Angebot], gleich aus welchem Grund, vorzeitig zu beenden. [Ist vor Beendigung der Zeichnungsfrist zu irgendeinem Zeitpunkt an einem Geschäftstag bereits ein Gesamtzeichnungsvolumen von [●] für die Zertifikate erreicht, beendet die Emittentin die Zeichnungsfrist für die Zertifikate zu dem betreffenden Zeitpunkt an diesem Geschäftstag ohne vorherige Bekanntmachung.]</p> |
| <p>[The Issuer reserves the right to cancel the issue of the Certificates for any reason whatsoever.]</p>   | <p>[Die Emittentin behält sich das Recht vor, die Emission der Zertifikate, gleich aus welchem Grund, zu stornieren.]</p>   |
| <p>[In particular, the issue of the Certificates depends, among other things, on whether the Issuer has received a total volume of at least [●] valid subscription applications for the securities by the end of the subscription period. If this condition is not met, the Issuer may cancel the issue of the Certificates at the end of the</p>   | <p>[Insbesondere hängt die Emission der Zertifikate unter anderem davon ab, ob beim Emittenten bis zum Ende der Zeichnungsfrist gültige Zeichnungsanträge für die Wertpapiere in einem Gesamtvolumen von mindestens [●] eingehen. Sollte diese Bedingung nicht erfüllt sein, kann die Emittentin die Emission der Zertifikate zum Ende</p>  |

|   |  |
|---|--|
| subscription period.]   | der Zeichnungsfrist stornieren.]   |
| [If the Subscription Period is early terminated or extended or if no issuance occurs, the Issuer will publish a corresponding notice on the website [www.erstegroup.com][●].  | [Sofern die Zeichnungsfrist vorzeitig beendet wird bzw. sofern keine Emission erfolgt, wird die Emittentin eine entsprechende Mitteilung auf der Website [www.erstegroup.com][●] veröffentlichen.]   |
| [where applicable: Minimum subscription amount: [●] Certificates]   | [sofern anwendbar: Mindestzeichnungsbetrag: [●] Zertifikate]   |
| [where applicable: Maximum subscription amount: [●] Certificates]   | [sofern anwendbar: Höchstzeichnungsbetrag: [●] Zertifikate]  |
| <b>Listing and Trading</b>  | <b>Börsennotierung und Handel</b>  |
| [Vienna Stock Exchange][,][ and] [Stuttgart Stock Exchange (EUWAX)][,][ and] [Budapest Stock Exchange][,][ and] [Bucharest Stock Exchange][,][ and] [Prague Stock Exchange][,][ and] [Zagreb Stock Exchange][The Certificates are not admitted to trading or listed on any market]. | [Wiener Börse][,][ und] [Börse Stuttgart (EUWAX)][,][ und] [Budapester Börse][,][ und] [Bukarester Börse][,][ und] [Prager Börse][,][ und] [Zagreber Börse][ Die Zertifikate sind an keinem anderen Markt zum Handel zugelassen oder notiert].                             |
| <b>Costs and fees when purchasing the Certificates</b>  | <b>Kosten und Gebühren beim Erwerb der Zertifikate</b>   |
| [There are no expenses and taxes specifically charged to the subscriber or purchaser, which are charged or deducted by the Issuer.]   | [Es bestehen keine Aufwendungen oder Steuern, die den Zeichner oder Erwerbenden von der Emittentin speziell abgezogen oder in Rechnung gestellt werden.]   |
| [●]   | [●]  |
| <b>Consent to use the Prospectus</b>  | <b>Zustimmung zur Verwendung des Prospekts</b>   |
| The subsequent resale or final placement of Certificates by Financial Intermediaries in the Offer State[s] can be made [during the period the Base Prospectus is valid according to Section 6a of the Austrian Capital Market Act] [insert offer period: ●].                        | Die spätere Weiterveräußerung und endgültige Platzierung der Zertifikate durch Finanzintermediäre [im Angebotsland][in den Angebotsländern] kann [während der Dauer der Gültigkeit des Basisprospekts gemäß § 6a Kapitalmarktgesetz] [Angebotsfrist einfügen: ●] erfolgen. |
| [Further, such consent is subject to and given under the condition [●].]  | [Des Weiteren erfolgt die Zustimmung vorbehaltlich und unter der Voraussetzung, dass [●].]   |
| The Issuer reserves the right to withdraw its consent to use this Prospectus at any time.   | Die Emittentin behält sich das Recht vor, ihre Zustimmung zur Verwendung des Prospekts jederzeit zu widerrufen.  |
| <b>Information relating to the Underlying</b>   | <b>Angaben zum Basiswert</b>   |
| The information contained hereinafter about the [relevant] Underlying consists of excerpts and summaries of publicly available sources[, which [may] have been translated into English language]. The Issuer confirms that this information has been accurately reproduced and      | Die im Folgenden über den [jeweiligen] Basiswert enthaltenen Angaben bestehen aus Auszügen und Zusammenfassungen von öffentlich verfügbaren Quellen[, die [gegebenenfalls] ins Englische übersetzt wurden]. Die Emittentin bestätigt, dass diese Angaben korrekt wider     |

|   |   |
|---|---|
| <p>that – as far as the Issuer is able to ascertain from publicly accessible information available to it – no facts have been omitted, which would render the reproduced information[, which [may] have been translated into English language] inaccurate or misleading. Neither the Issuer nor the Offeror accept any other or further responsibilities in respect of this information. In particular, the Issuer does not accept any responsibility for the accuracy of the information concerning the [relevant] Underlying or provides any guarantee that no event has occurred which might affect the accuracy or completeness of this information.]</p> | <p>gegeben werden und dass, soweit der Emittentin bekannt ist und die Emittentin aus den ihr vorliegenden öffentlich zugänglichen Informationen entnehmen konnte, keine Tatsachen ausgelassen wurden, die die übernommenen [und [gegebenenfalls] ins Englische übersetzten] Informationen unkorrekt oder irreführend darstellen würden. Weder die Emittentin noch die Anbieterin übernehmen hinsichtlich dieser Information sonstige oder weiterreichende Verantwortlichkeiten. Insbesondere übernimmt die Emittentin keine Verantwortung für die Richtigkeit der den [jeweiligen] Basiswert betreffenden Informationen oder dafür, dass kein die Richtigkeit oder Vollständigkeit dieser Informationen beeinträchtigendes Ereignis eingetreten ist.]</p> |
| <p><b>[Description of the Underlying: •</b><br/><i>The Issuer may, but is not obliged to, include additional information here as to additional provisions, relating to the Underlying including, if applicable, Index disclaimer(s).]</i></p>   | <p><b>[Basiswertbeschreibung: •</b><br/><i>Die Emittentin kann, ohne dazu verpflichtet zu sein, weitere Informationen in Bezug auf die/den Basiswert(e) einfügen, einschließlich (sofern anwendbar) Index Disclaimer.]</i></p>  |
| <p><i>[in the case of an index as Underlying and if such index is provided by a legal entity or a natural person acting in association with, or on behalf of, the Issuer, insert: The Issuer makes the following statements:</i></p>  | <p><i>[im Fall, dass ein Index der Basiswert ist und dieser Index durch eine juristische oder natürliche Person zur Verfügung gestellt wird, die in Verbindung mit dem Emittenten oder in dessen Namen handelt, einfügen: Der Emittent gibt folgende Erklärungen ab:</i></p>  |
| <ul style="list-style-type: none"> <li>• the complete set of rules of the index and information on the performance of the index are freely accessible on the website[s] of the [Issuer www.erstegroup.com] [and] [the Index Sponsor (www.[insert website(s) of the applicable Index Sponsor: •])]; and</li> </ul>   | <ul style="list-style-type: none"> <li>• Sämtliche Regeln des Index und Informationen zu seiner Wertentwicklung sind kostenlos auf der Webseite [der Emittentin www.erstegroup.com] [bzw.] [des Index-Sponsors (www.[maßgebliche Webseite(n) des Index-Sponsors einfügen: •])] abrufbar; und</li> </ul>   |
| <ul style="list-style-type: none"> <li>• the governing rules (including methodology of the index for the selection and the rebalancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.]</li> </ul>   | <ul style="list-style-type: none"> <li>• die Regelungen des Index (einschließlich Indexmethode für die Auswahl und die Neuabwägung der Indexbestandteile, Beschreibung von Marktstörungenereignissen und Anpassungsregeln) basieren auf vorher festgelegten und objektiven Kriterien.]</li> </ul>   |
| <p>Information about the past and future performance and volatility of the Underlying [are available [in each case] on the website specified in the Contractual Terms ][insert different rule: •].</p>  | <p>Angaben zu der vergangenen und künftigen Wertentwicklung und Volatilität des Basiswerts [sind [jeweils] auf der in den Vertraglichen Bedingungen genannten Internetseite erhältlich][andere Regelung einfügen: •].</p>   |
| <p><b>Publication of post-issuance information</b></p>  | <p><b>Veröffentlichung von Mitteilungen nach erfolgter Emission</b></p>   |
| <p>[Except for the notices referred to in the Terms and Conditions, the Issuer does not intend to publish any post-issuance information.][insert different rule, if applicable: •]</p>  | <p>[Die Emittentin beabsichtigt, mit Ausnahme der in den Bedingungen genannten Bekanntmachungen, keine Veröffentlichung von Informationen nach erfolgter Emission.][gegebenenfalls andere Regelung</p>  |

*einfügen: •]*

| <b>[EXPLANATION OF MECHANISM OF CERTIFICATES</b>   | <b>[DARSTELLUNG DER FUNKTIONSWEISE DER ZERTIFIKATE</b>   |
|--|--|
| <i>[Insert examples in order to explain how the value of the Certificates is affected by the value of the Underlying]]</i> | <i>[Gegebenenfalls Beispiel(e) einfügen, um zu erklären, wie der Wert der Zertifikate durch den Wert des Basiswerts beeinflusst wird]]</i> |

| <b>ANNEX – ISSUE SPECIFIC SUMMARY</b>                              | <b>ANHANG – EMISSIONSSPEZIFISCHE ZUSAMMENFASSUNG</b>  |
|--|---|
| <i>[Issuer to annex issue specific summary to the Final Terms]</i> | <i>[emissionsspezifische Zusammenfassung den Endgültigen Bedingungen von Emittentin beizufügen]</i> |



# **RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG**

Erste Group Bank AG, with its registered office at Graben 21, A-1010 Vienna, Austria, is responsible for the information given in this Prospectus.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.

Vienna, 7 November 2014

Erste Group Bank AG

as Issuer

Stefan Dörfler

Head of Group Capital Markets  
Office Markets

Helmut Rauth

Head of Steering and Operating

## GLOSSARY AND LIST OF ABBREVIATIONS

For ease of reference, the glossary below sets out certain abbreviations and meanings of certain terms used in the Prospectus. Readers of the Prospectus should always have regard to the full description of a term contained in the Prospectus.

|   |   |
|---|---|
| <b>Additional Disruption Event</b>                    | each Additional Disruption Event as set out in Section 10 of the Underlying Specific Conditions   |
| <b>Audited Consolidated Financial Statements 2012</b> | English translation of the audited consolidated annual financial statements of Erste Group Bank AG for the financial year ended 31 December 2012  |
| <b>Audited Consolidated Financial Statements 2013</b> | English translation of the audited consolidated annual financial statements of Erste Group Bank AG for the financial year ended 31 December 2013  |
| <b>Austrian Banking Act</b>                           | Austrian Banking Act ( <i>Bankwesengesetz - BWG</i> )   |
| <b>Austrian Markets</b>                               | the Official Market ( <i>Amtlicher Handel</i> ) and the Second Regulated Market ( <i>Geregelter Freiverkehr</i> ) of the Vienna Stock Exchange ( <i>Wiener Börse AG</i> ).  |
| <b>Austrian Savings Banks Sector</b>                  | Austrian Savings Banks Sector which comprises all savings banks in Austria, excluding Bank Austria  |
| <b>Bank Austria</b>                                   | UniCredit Bank Austria AG   |
| <b>Base Currency</b>                                  | the currency being traded in an international foreign exchange trading  |
| <b>Basket</b>   | corresponds to the Basket of Shares as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Basket Constituent</b>                             | corresponds to the relevant Share of the relevant Company as Basket Constituent as set out in Section 9 of the Underlying Specific Conditions   |
| <b>BCBS</b>   | Basel Committee on Banking Supervision  |
| <b>BCR</b>  | Banca Comercială Română S.A.  |
| <b>BIRG</b>   | Austrian Banking Intervention and Restructuring Act ( <i>Bankeninterventions- und restrukturierungsgesetz</i> )   |
| <b>BRRD</b>   | 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 |
| <b>Business Day</b>                                   | each Business Day as set out in Section 4 of the Issue Specific Conditions  |

|                                    |   |
|------------------------------------|---|
| <b>Calculation Agent</b>           | the Calculation Agent as set forth in Section 3 of the General Conditions   |
| <b>Calculation Date</b>            | the Calculation Date as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Calculation Hours</b>           | the Calculation Hours as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Cash Amount</b>                 | the Cash Amount as set out in Section 2 of the Issue Specific Conditions  |
| <b>CEE</b>                         | Central Eastern Europe  |
| <b>Česká spořitelna</b>            | Česká spořitelna, a.s.  |
| <b>Change of Law</b>               | a Change of Law as set out in Section 9 of the Underlying Specific Conditions   |
| <b>CHF</b>                         | Swiss Francs  |
| <b>Clearing System</b>             | the Clearing System as set forth in Section 2 of the General Conditions   |
| <b>CNB</b>                         | Czech National Bank   |
| <b>Company</b>                     | the Company as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Conditions</b>                  | Terms and Conditions applicable to such a Series of Certificates which consist of the Issue Specific Conditions as replicated in the respective Final Terms and the General Conditions.   |
| <b>Correction Termination Date</b> | the Correction Termination Date as set forth in Section 5 of the General Conditions   |
| <b>CRD IV</b>                      | Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC ( <i>Capital Requirements Directive IV</i> ) |
| <b>CrNB</b>                        | Croatian National Bank  |
| <b>CRR</b>                         | Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ( <i>Capital Requirements Regulation</i> )   |
| <b>Current Underlying</b>          | the Current Underlying as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Currency Conversion</b>         | Currency Conversion as set out in Section 2 of the Issue Specific Conditions  |

|                                     |  |
|-------------------------------------|--|
| <b>Dividend Adjustment Factor</b>   | the Dividend Adjustment Factor (" <b>DAF</b> ") reflecting the relation between the closing price of the relevant Basket Constituent cum dividend and the closing price of the relevant Basket Constituent cum dividend adjusted by the Dividend Amount as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Dividend Amount</b>              | corresponds to the net dividend multiplied with the Dividend Reinvestment Factor as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Dividend Record Date</b>         | a day on which shares of the relevant company for which dividends or cash amounts are to be distributed are traded "ex dividend" on their relevant primary exchange as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Dividend Reinvestment Factor</b> | corresponds to the value of the Dividend Reinvestment Factor as set out in Section 9 of the Underlying Specific Conditions   |
| <b>EBA</b>                          | European Banking Authority   |
| <b>EBRD</b>                         | European Bank for Reconstruction and Development   |
| <b>ECB</b>                          | European Central Bank  |
| <b>EEA</b>                          | European Economic Area   |
| <b>EFSF</b>                         | European Financial Stability Facility  |
| <b>EIB</b>                          | European Investment Bank   |
| <b>Error Termination Date</b>       | the Error Termination Date as set forth in Section 5 of the General Conditions   |
| <b>Erste Bank Croatia</b>           | Erste & Steiermärkische Bank, d.d.   |
| <b>Erste Bank Hungary</b>           | Erste Bank Hungary Zrt.  |
| <b>Erste Bank Oesterreich</b>       | Erste Bank der oesterreichischen Sparkassen AG   |
| <b>Erste Bank Serbia</b>            | Erste Bank a.d., Novi Sad  |
| <b>Erste Bank Ukraine</b>           | JSC Erste Bank   |
| <b>Erste Group</b>                  | consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank Oesterreich in Austria, Česká spořitelna in the Czech Republic, Banca Comercială Română in Romania, Slovenská sporiteľňa in the Slovak Republic, Erste Bank Hungary in Hungary, Erste Bank Croatia in Croatia, Erste Bank Serbia in Serbia and, in Austria, Salzburger Sparkasse, Tiroler Sparkasse, s-Bausparkasse, other savings banks of the Haftungsverbund, Erste Group Immorent, and others. |
| <b>Erste Group Bank</b>             | Erste Group Bank AG  |
| <b>Erste Stiftung</b>               | DIE ERSTE Österreichische Spar-Casse Privatstiftung  |

|  |   |
|--|---|
| <b>ESM</b>   | European Stability Mechanism  |
| <b>EU</b>  | European Union  |
| <b>EU-Commission</b>   | European Commission   |
| <b>EUR</b>   | Euro  |
| <b>Exchange Basket</b>   | corresponds to a new Share or a basket of new Shares following a substitution made by the Calculation Agent as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Exchange Rate Screen Page</b>                                     | the Exchange Rate Screen Page as set out in Section 2 of the Issue Specific Conditions  |
| <b>Exchange Rate Screen Page for the relevant Basket Constituent</b> | the Exchange Rate Screen Page for the relevant Basket Constituent as set out in Section 9 of the Underlying Specific Provisions   |
| <b>Exercise Date</b>   | the Exercise Date as set out in Section 5 of the Issue Specific Conditions  |
| <b>Exercise Notice</b>   | the Exercise Notice as set out in Section 5 of the Issue Specific Conditions  |
| <b>Exercise Period</b>   | the Exercise Period as set out in Section 5 of the Issue Specific Conditions  |
| <b>Fair Value Method</b>   | when determining the Termination Amount in the case of a termination as a consequence of a takeover offer, if the consideration consists exclusively or predominantly of cash, other market parameters prior to the announcement of the takeover offer may be taken into account in accordance with the usual methods at futures exchanges for determining the theoretical fair value, particularly expected dividends and implied volatilities, in addition to the price of the Underlying after announcement of the takeover offer. |
| <b>FATCA</b>   | U.S. Foreign Account Tax Compliance Act   |
| <b>Final Terms</b>   | Final Terms setting forth the applicable terms and conditions for Certificates issued under this Prospectus, a form of which is included in this Prospectus   |
| <b>Final Valuation Date</b>  | the Final Valuation Date as set out in Section 4 of the Issue Specific Conditions   |
| <b>Financial Intermediaries</b>                                      | credit institutions pursuant to Directive 2013/36/EU (the CRD IV) acting as financial intermediaries subsequently reselling or finally placing the Certificates   |
| <b>First Settlement Date</b>   | the First Settlement Date of the Certificates as set out in Section 4 of the Issue Specific Conditions  |
| <b>Fitch</b>   | Fitch Ratings Ltd.  |
| <b>FMA</b>   | Austrian Financial Markets Authority  |

|                                    |  |
|------------------------------------|--|
| <b>FTT</b>                         | financial transaction tax, the introduction of which has been proposed by the European Commission in September 2011  |
| <b>GCIB</b>                        | Group Corporate and Investment Banking   |
| <b>General Conditions</b>          | General Conditions of the Certificates as set out under 4.2 of the Terms and Conditions  |
| <b>GDP</b>                         | gross domestic product   |
| <b>Global Note</b>                 | the Global Note as set forth in Section 2 of the General Conditions  |
| <b>Haftungsverbund</b>             | the guarantee system that was formed on the basis of a set of agreements ( <i>Grundsatzvereinbarung</i> ) with the majority of the Austrian savings banks  |
| <b>HRK</b>                         | Croatian Kuna  |
| <b>HUF</b>                         | Hungarian Forint   |
| <b>IMF</b>                         | International Monetary Fund  |
| <b>Index Sponsor</b>               | the Index Sponsor as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Initial Transaction Fee</b>     | the Initial Transaction Fee as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Initial Value of the Basket</b> | corresponds to the Initial Value of the Basket as set out in Section 9 of the Underlying Specific Conditions   |
| <b>(Initial) Weighting Factor</b>  | the (Initial) Weighting Factor of the Basket Constituent as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Issue Specific Conditions</b>   | the Issue Specific Conditions of the Certificates which are set out as part 4.1 of the Terms and Conditions consisting of the Product Specific Conditions and the Underlying Specific Conditions   |
| <b>Issuer</b>                      | Erste Group Bank AG  |
| <b>KMG</b>                         | Austrian Capital Market Act ( <i>Kapitalmarktgesetz - KMG</i> )  |
| <b>Liquidity Reserve</b>           | a specified amount of savings deposits and other Euro deposits that Austrian Savings Banks are required to hold with Erste Group Bank, as the central financial institution of the savings bank group pursuant to the Austrian Banking Act |
| <b>Management Board</b>            | the management board ( <i>Vorstand</i> ) of the Issuer   |
| <b>Management Factor</b>           | corresponds to the conversion of the Management Fee in line with the maturity as set out in Section 2 of the Issue Specific Conditions   |
| <b>Management Fee</b>              | the Management Fee as set out in Section 2 of the Issue Specific Conditions  |

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| <b>Market Disruption Event</b>             | each Market Disruption Event as set forth in Section 8 of the Underlying Specific Conditions   |
| <b>Markets</b>                             | the Austrian Markets, the Stuttgart Stock Exchange ( <i>Börse Stuttgart</i> ) (EUWAX) and/or the and/or the Budapest Stock Exchange and/or the Bucharest Stock Exchange and/or the Prague Stock Exchange and/or the Zagreb Stock Exchange  |
| <b>Maximum Transaction Fee</b>             | The Maximum Transaction Fee as set out in Section 9 of the Underlying Specific Conditions  |
| <b>MiFID</b>                               | Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC ( <i>Markets in Financial Instruments Directive</i> ) |
| <b>Minimum Exercise Number</b>             | the Minimum Exercise Number as set out in Section 5 of the Issue Specific Conditions   |
| <b>MB</b>                                  | Management board   |
| <b>Minimum Trading Number</b>              | the Minimum Trading Number as set out in Section 1 of the Issue Specific Conditions  |
| <b>Moody's</b>                             | Moody's Deutschland GmbH   |
| <b>Multiplier</b>                          | the Multiplier as set out in Section 2 of the Issue Specific Conditions  |
| <b>NBSE</b>                                | National Bank of Serbia  |
| <b>Non-Exempt Offer</b>                    | an offer of Certificates other than pursuant to Article 3(2) of the Prospectus Directive   |
| <b>NPL</b>                                 | Non-performing loans   |
| <b>OeKB</b>                                | Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1011 Vienna, Austria   |
| <b>Offer of Certificates to the public</b> | a communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.     |
| <b>Participating Member States</b>         | the Member States participation in the enhanced cooperation in the area of financial transaction tax pursuant to the proposal for a "Council Directive implementing enhanced cooperation in the area of financial transaction tax", dated 14 February 2013   |
| <b>Potential Adjustment Events</b>         | the Potential Adjustment Events as set out in Section 9 of the Underlying Specific Conditions  |

|   |  |
|---|--|
| <b>Programme</b>  | the Programme of Erste Group Bank AG for the issuance of Certificates which is established by this Prospectus  |
| <b>Prospectus</b>   | this Prospectus  |
| <b>Prospectus Directive</b>                                   | Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended  |
| <b>Prospectus Regulation</b>                                  | Commission Regulation (EC) No 809/2004 of 29 April 2004, as lastly amended by Commission Regulation (EU) No 759/2013 dated 30 April 2013 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements |
| <b>Quanto</b>   | a mechanism by which the Reference Currency is converted into the Settlement Currency by the Calculation Agent at an exchange rate of one unit of the Reference Currency to one unit of the Settlement Currency as set forth in Section 2 of the Issue Specific Conditions   |
| <b>Reference Banks</b>  | the Reference Banks as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Reference Currency</b>                                     | the Reference Currency as set out in Section 2 of the Issue Specific Conditions  |
| <b>Reference Currency for the relevant Basket Constituent</b> | corresponds to the Reference Currency for the relevant Basket Constituent as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Reference Market</b>                                       | the Reference Market as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Reference Price</b>  | the Reference Price as set out in Section 2 of the Issue Specific Conditions   |
| <b>Related Exchange</b>                                       | the Related Exchange as set forth in Section 8 of the Underlying Specific Conditions   |
| <b>Relevant Country</b>                                       | the Relevant Country as set out in Section 8 of the Underlying Specific Conditions   |
| <b>Relevant Implementation Date</b>                           | the date on which the Prospectus Directive is implemented in a Relevant Member State   |
| <b>Relevant Member State</b>                                  | Member State of the European Economic Area which has implemented the Prospectus Directive  |
| <b>Relevant Number of Shares</b>                              | the Relevant Number of Shares for the relevant Basket Constituent as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Repayment Date</b>   | As a general rule the Issuer will cause the transfer of any  |



Cash Amount by the fifth Business Day after the Final Valuation Date to the Clearing System for credit to the accounts of the depositors of the Securities with the Clearing System.

|                              |  |
|------------------------------|--|
| <b>Rollover</b>              | The technic by which the Underlying is replaced by the Issuer in the case of Open End Certificates at a point in time since Futures Contracts as Underlying of the Certificates have a fixed expiration date in each case. |
| <b>Rollover Date</b>         | the Rollover Date as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Roll Over Price</b>       | the Rollover Price as set out in Section 9 of the Underlying Specific Conditions   |
| <b>RWA</b>                   | risk-weighted assets   |
| <b>Salzburger Sparkasse</b>  | Salzburger Sparkasse Bank AG   |
| <b>Savings Banks Sector</b>  | the Savings Banks Sector comprises all savings banks in Austria except for Unicredit Bank Austria AG which is legally organised as a savings bank and participates in the savings banks deposit insurance system           |
| <b>SB</b>                    | supervisory board  |
| <b>s-Bausparkasse</b>        | Bausparkasse der österreichischen Sparkassen Aktiengesellschaft AG   |
| <b>Screen Page</b>           | the Screen Page as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Securities Act</b>        | United States Securities Act of 1933   |
| <b>Securities Depository</b> | the Securities Depository as set out in Section 2 of the General Conditions  |
| <b>Series</b>                | Series of the Certificates as specified in the Final Terms   |
| <b>Settlement Currency</b>   | the Settlement Currency as set out in Section 2 of the Issue Specific Conditions   |
| <b>Slovenská sporiteľňa</b>  | Slovenská sporiteľňa, a.s.   |
| <b>SME</b>                   | small and medium enterprises   |
| <b>SRM</b>                   | Single Resolution Mechanism  |
| <b>SSM</b>                   | Single Supervisory Mechanism   |
| <b>Standard &amp; Poors</b>  | Standard & Poor's Credit Market Services Europe Ltd. (Niederlassung Deutschland)   |
| <b>Steering Company</b>      | Haftungsverbund GmbH   |
| <b>Strike</b>                | the Strike as set out in Section 2 of the Issue Specific   |

|                                    |  |
|------------------------------------|--|
|                                    | Conditions   |
| <b>Substitute Exchange</b>         | the Substitute Exchange as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Substitute Reference Market</b> | the Substitute Reference Market as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Substitute Share</b>            | the Substitute Share as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Successor Currency</b>          | the Successor Currency as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Successor Index Sponsor</b>     | the Successor Index Sponsor as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Successor Underlying</b>        | the Successor Underlying as set out in Section 9 of the Underlying Specific Conditions   |
| <b>Successor Value</b>             | the Successor Value as set out in Section 9 of the Underlying Specific Conditions  |
| <b>Summary</b>                     | the summary of this Prospectus which is included in this Prospectus  |
| <b>Supervisory Board</b>           | the supervisory board ( <i>Aufsichtsrat</i> ) of the Issuer  |
| <b>t</b>                           | the number of calendar days during the Calculation Period  |
| <b>Tap issue</b>                   | permanent and/or repeated issues of Certificates where individual issues of Certificates will be offered permanently ( <i>Daueremissionen</i> ), where Certificates may be issued during most of their term at a price determined and adjusted from time to time by the Issuer |
| <b>TARGET2-System</b>              | Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2)   |
| <b>Terms and Conditions</b>        | the terms and conditions of the Certificates which are composed of the Issue Specific Conditions and the General Conditions and which are set out on pages 85 <i>et seqq</i> of this Prospectus  |
| <b>Termination Amount</b>          | the Termination Amount as set out in Section 10 of the Underlying Specific Conditions  |
| <b>Termination Date</b>            | The Termination Date as set out in Section 10 of the Underlying Specific Conditions  |
| <b>Tiroler Sparkasse</b>           | Tiroler Sparkasse Bankaktiengesellschaft Innsbruck   |
| <b>Trade Currency</b>              | the currency which states the price for the Base Currency in an international foreign exchange trading   |
| <b>Tranche</b>                     | a Tranche of a Series of Certificates  |
| <b>Unaudited Interim</b>           | English translation of the unaudited interim condensed   |

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| <b>Condensed Consolidated Financial Statements 30 September 2014</b> | consolidated financial statements of Erste Group for the nine month period ended 30 September 2014 |
| <b>Underlying</b>  | each Underlying as set out in Section 9 of the Underlying Specific Conditions                      |
| <b>Underlying Price</b>  | the Underlying Price as set out in Section 9 of the Underlying Specific Conditions                 |
| <b>USD</b>   | the currency of the United States of America   |
| <b>U.S. Foreign Account Tax Compliance Act</b>                       | Sections 1471-1474 of the U.S. Internal Revenue Code   |
| <b>Vienna Stock Exchange</b>   | <i>Wiener Börse</i>  |
| <b>VIG</b>   | Vienna Insurance Group   |

# GERMAN TRANSLATIONS

The following translations of the original summary and the risk factors of the Prospectus has not been approved by the FMA. Further, the FMA did not review its consistency with the original parts of the Prospectus.

Die folgende Übersetzung der Originale der Zusammenfassung und der Risikofaktoren des Prospekts wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit den Originalen dieser Abschnitte des Prospekts wurde nicht von der FMA geprüft.

## GERMAN TRANSLATION OF THE SUMMARY

Die Zusammenfassung setzt sich aus als "**Schlüsselinformationen**" bezeichneten geforderten Angaben zusammen. Diese Schlüsselinformationen sind in den Abschnitten A - E (A.1 - E.7) nummeriert.

Diese Zusammenfassung enthält all die geforderten Schlüsselinformationen, die in einer Zusammenfassung für diese Art von Wertpapieren und Emittenten einzubeziehen sind. Da gewisse Schlüsselinformationen nicht adressiert werden müssen, können Lücken in der Nummerierung der Schlüsselinformationen in dieser Zusammenfassung vorhanden sein.

Auch wenn grundsätzlich eine Schlüsselinformation aufgrund der Art der Wertpapiere und des Emittenten in der Zusammenfassung aufzuführen wäre, ist es möglich, dass hinsichtlich dieser Schlüsselinformation keine relevanten Angaben gemacht werden können. In einem solchen Fall wird eine kurze Beschreibung der Schlüsselinformation in die Zusammenfassung mit dem Hinweis "entfällt" aufgenommen.

[Im Fall von Multi-Emissionen, d.h. sofern mehr als eine Serie von Zertifikaten in der emissionspezifischen Zusammenfassung enthalten ist, einfügen: Einige Angaben können in Bezug auf einzelne Serien von Zertifikaten voneinander abweichen. In diesem Fall wird die entsprechende Angabe bezüglich der einzelnen Serie von Zertifikaten oder eines bestimmten Basiswerts durch die Erwähnung der entsprechenden ISIN der Serie oder eines anderen eindeutigen Identifikationsmerkmals in Zusammenhang mit dieser Angabe kenntlich gemacht.]

### A. Einleitung und Warnhinweise

#### A.1 Warnhinweis

Diese Zusammenfassung (die "**Zusammenfassung**") ist als Einführung zu dem Prospekt (der "**Prospekt**") über das Zertifikate Programm (das "**Programm**") zu lesen.

Jede Entscheidung des Anlegers über eine Investition in unter dem Prospekt begebene Zertifikate (die "**Zertifikate**") sollte sich auf eine Berücksichtigung des Prospekts als Ganzen stützen.

Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in dem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach den nationalen Rechtsvorschriften des jeweiligen Mitgliedsstaates des Europäischen Wirtschaftsraumes die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben.

Die Erste Group Bank AG ("**Erste Group Bank**"), Graben 21, 1010 Wien, Österreich (in ihrer Funktion als

Emittentin unter dem Programm, die "**Emittentin**") kann für den Inhalt dieser Zusammenfassung einschließlich der Übersetzung hiervon haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt, um Anleger bei der Prüfung der Frage, ob sie in die betreffenden Zertifikate investieren sollten, behilflich zu sein.

**A.2** Zustimmung des Emittenten oder der für die Erstellung des Prospekts verantwortlichen Person zur Verwendung des Prospekts für die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch Finanzintermediäre

Die Emittentin erteilt (i) allen Kreditinstituten im Sinne der Richtlinie 2013/36/EU, die als Finanzintermediäre handeln und die Zertifikate weiterveräußern oder endgültig platzieren und (ii) allen weiteren Finanzintermediären, die auf der Internetseite der Emittentin "www.erstegroup.com" angegeben sind als Intermediäre, denen die Emittentin ihre Zustimmung zur Verwendung dieses Prospekts für den Wiederverkauf und die endgültige Platzierung von Zertifikaten (soweit dies erfolgt) erteilt hat, (die "**Finanzintermediäre**") ihre Zustimmung zur Verwendung des Prospekts für die spätere Weiterveräußerung oder endgültige Platzierung der unter dem Prospekt begebenen Zertifikate während des maßgeblichen Angebotszeitraums vorausgesetzt, dass der Prospekt zu diesem Zeitpunkt gemäß § 6a KMG, welche Bestimmung die Prospekttrichtlinie umsetzt, noch gültig ist.

Angabe der Angebotsfrist, innerhalb deren die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch Finanzintermediäre erfolgen kann und für die die Zustimmung zur Verwendung des Prospekts erteilt wird

Alle sonstigen klaren und objektiven Bedingungen, an die die Zustimmung gebunden ist und die für die Verwendung des Prospekts relevant sind

Die Zustimmung der Emittentin zur Verwendung des Prospekts für die Weiterveräußerung oder endgültige Platzierung der Zertifikate durch Finanzintermediäre wird unter der Voraussetzung erteilt, dass (i) der Prospekt einschließlich etwaiger Nachträge und der maßgeblichen Endgültigen Bedingungen künftigen Anlegern zur Verfügung gestellt wird und (ii) jeder Finanzintermediär sicherstellt, dass er nur im Einklang mit allen maßgeblichen in diesem Prospekt enthaltenen Verkaufsbeschränkungen und allen maßgeblichen anwendbaren Gesetzen und Verordnungen von diesen Dokumenten Gebrauch macht.

In den maßgeblichen endgültigen Bedingungen kann die Emittentin weitere Bedingungen für ihre Zustimmung zur Verwendung des Prospekts festlegen. Die Emittentin behält sich das Recht vor, ihre Zustimmung zur Verwendung des Prospekts jederzeit zu widerrufen.

Deutlich **Im Falle eines Angebots durch einen**

hervorgehobener Hinweis für die Anleger, dass Informationen über die Bedingungen des Angebots eines Finanzintermediärs von diesem zum Zeitpunkt der Vorlage des Angebots zur Verfügung zu stellen sind

**Finanzintermediär, hat der Finanzintermediär den Anlegern Informationen über die Bedingungen des Angebots zum Zeitpunkt der Vorlage des Angebots zur Verfügung zu stellen.**

## **B. Die Emittentin**

- B.1** Gesetzliche und kommerzielle Bezeichnung Die gesetzliche Bezeichnung der Emittentin ist "Erste Group Bank AG", ihre kommerzielle Bezeichnung lautet "Erste Group". "**Erste Group**" bezieht sich auch auf die Erste Group Bank und ihre konsolidierten Tochtergesellschaften.
- B.2** Sitz und Rechtsform des Emittenten, das für den Emittenten geltende Recht und Land der Gründung der Gesellschaft Die Erste Group Bank ist eine nach österreichischem Recht gegründete und österreichischem Recht unterliegende Aktiengesellschaft, die im Firmenbuch des Handelsgerichts Wien unter der Firmenbuchnummer FN 33209m eingetragen ist. Der Sitz der Erste Group Bank liegt in Wien, Österreich. Sie hat ihre Geschäftsanschrift unter der Adresse Graben 21, 1010 Wien, Österreich.
- B.4b** Alle bereits bekannten Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken. Die jüngste weltweite Finanzkrise führte sowohl national wie international zu zunehmenden Bestrebungen seitens der Aufsichtsbehörden, neue Beschränkungen für die Finanzbranche (der die Emittentin angehört) einzuführen und bestehende restriktiver zu handhaben. Aufsichtsrechtliche Änderungen oder Initiativen zur Durchsetzung aufsichtsrechtlicher Bestimmungen könnten die Finanzbranche weiter negativ beeinträchtigen. Neue gesetzliche oder aufsichtsrechtliche Erfordernisse und eine Änderung des angemessenen angenommenen Niveaus für Eigenmittel, Liquidität und Leverage könnten zu höheren Anforderungen an und Standards für Eigenmittel und Liquidität führen. Von der Finanzkrise ausgelöste Handlungen von Regierungen und Zentralbanken könnten die Wettbewerbssituation maßgeblich beeinträchtigen und die Anleger, die in Finanzinstituten veranlagt sind, beeinflussen.
- B.5** Ist der Emittent Teil einer Gruppe, eine Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe Die "Erste Group" besteht aus der Erste Group Bank und ihren Tochterunternehmen und Beteiligungen, einschließlich Erste Bank der oesterreichischen Sparkassen AG in Österreich, Česká spořitelna in der Tschechischen Republik, Banca Comercială Română in Rumänien, Slovenská sporiteľňa in der Slowakischen Republik, Erste Bank Ungarn in Ungarn, Erste Bank Kroatien in Kroatien, Erste Bank Serbien in Serbien und, in Österreich der Salzburger Sparkasse, Tiroler Sparkasse, s-Bausparkasse, anderen Sparkassen des Haftungsverbands, Erste Group Immorent und weiterer. Die Erste Group Bank fungiert als Muttergesellschaft der

Erste Group und ist das Spitzeninstitut des österreichischen Sparkassensektors.

**B.9** Gewinnprognosen und -schätzungen - Entfällt; die Emittentin gibt keine Gewinnprognosen oder -schätzungen ab.

**B.10** Art etwaiger Einschränkungen der Bestätigungsvermerke zu den historischen Finanzinformationen - Entfällt; es bestehen keine Einschränkungen der Bestätigungsvermerke.

| <b>B.12</b> Ausgewählte historische Finanzinformationen                  | <b>in Millionen Euro (gerundet)</b> | <b>31.12.2013<br/>geprüft</b> | <b>31.12.2012<br/>geprüft</b> |
|--|-------------------------------------|-------------------------------|-------------------------------|
| Summe der Aktiva   |                                     | 199.876                       | 213.824                       |
| Kapital  |                                     | 14.781                        | 16.339                        |
| Zinsüberschuss   |                                     | 4.858                         | 5.235                         |
| Jahresgewinn/-verlust vor Steuern  |                                     | 374                           | 801                           |
| Jahresgewinn/-verlust  |                                     | 196                           | 631                           |
| Jahresgewinn/-verlust den Eigentümern des Mutterunternehmens zurechenbar |                                     | 61                            | 483                           |

Quelle: Geprüfter konsolidierter Jahresabschluss der Emittentin für das Geschäftsjahr 2013 und 2012

| <b>in Millionen Euro<br/>(gerundet)</b>      | <b>30.9.2014<br/>ungeprüft</b> | <b>31.12.2013<br/>angepasst<sup>1)</sup></b> |
|--|--------------------------------|--|
| Summe der Verbindlichkeiten und Eigenkapital | 196.973                        | 200.118                                      |
| Gesamtes Eigenkapital                        | 13.652                         | 14.785                                       |

| <b>in Millionen Euro<br/>(gerundet)</b>                            | <b>30.9.2014<br/>ungeprüft<sup>1)</sup></b> | <b>30.9.2013<br/>ungeprüft<sup>1)</sup></b> |
|--|---|---|
| Zinsüberschuss   | 3.369,6                                     | 3.515,8                                     |
| Ergebnis vor Steuern aus fortzuführenden Geschäftsbereichen        | -955,5                                      | 598,0                                       |
| Periodenergebnis   | -1.389,3                                    | 567,0                                       |
| Eigentümern des Mutterunternehmens zuzurechnendes Periodenergebnis | -1.484,0                                    | 430,6                                       |

Quelle: Ungeprüfter verkürzter konsolidierter Zwischenbericht der Emittentin zum 30.9.2014 mit vergleichenden angepassten Finanzzahlen für das Geschäftsjahr, welches am 31.12.2013 geendet hat

1) Infolge der Anwendung von IFRS 10 wurden per 1. Jänner 2014 18 Fonds - die von ihren Vermögensverwaltungsgesellschaften verwaltet werden - in den Konsolidierungskreis der Erste Group Bank AG aufgenommen. Die Konsolidierung wurde retrospektiv angewendet. Alle Vergleichszahlen 2013 wurden entsprechend angepasst. Die Erste Group hat im Geschäftsjahr 2014 die Struktur ihrer Bilanz, der Ergebnisrechnung und einiger erläuternder Anhangangaben geändert, um zuverlässigere und relevantere Informationen über die Vermögens- und Ertragslage bereitzustellen. Die neue Struktur wurde auch eingeführt, um Synergien in Bezug auf die neuen IFRS basierten regulatorischen Anforderungen ("FINREP") zu generieren. Mehr detaillierte Informationen über die Anpassung und den Änderungen in der Struktur der Posten in der Bilanz und in der Gewinn- und

- |  |   |
|--|---|
| <p>Erklärung, dass sich die Aussichten des Emittenten seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben, oder beschreiben Sie jede wesentliche Verschlechterung,</p> | <p>Die Emittentin hat am 3.7.2014 angekündigt, dass sie für 2014 für die Erste Group (auf konsolidierter Basis) einen Nettoverlust von EUR 1,4 bis 1,6 Milliarden erwartet. Davon abgesehen haben sich die Aussichten der Emittentin seit dem Datum des Geschäftsberichts der Emittentin für das Geschäftsjahr 2013, der den letzten konsolidierten Jahresabschluss der Emittentin enthält, nicht wesentlich verschlechtert.</p>  |
| <p>Beschreibung wesentlicher Veränderungen bei der Finanzlage oder Handelsposition des Emittenten, die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind.</p>                        | <p>Die Emittentin hat am 3.7.2014 angekündigt, dass sie für 2014 für die Erste Group (auf konsolidierter Basis) einen Nettoverlust von EUR 1,4 bis 1,6 Milliarden erwartet. Davon abgesehen gab es keine wesentlichen Veränderungen bei der Finanzlage der Emittentin, die seit dem 30.9.2014 eingetreten sind.</p>   |
| <p><b>B.13</b> Beschreibung aller Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit des Emittenten, die für die Bewertung seiner Zahlungsfähigkeit in hohem Maße relevant sind.</p>                                  | <p>Entfällt; es gibt keine Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit der Emittentin, die für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant sind.</p>   |
| <p><b>B.14</b> Ist der Emittent Teil einer Gruppe, Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe.</p>  | <p>Die Emittentin ist das Mutterunternehmen der Erste Group und daher von der Geschäftsergebnissen aller Unternehmen, Tochterunternehmen und Gruppengesellschaften abhängig.</p>  |
| <p><b>B.15</b> Haupttätigkeiten des Emittenten</p>   | <p>Die Erste Group bietet ihren Kunden ein umfassendes Angebot an Dienstleistungen an, welches, abhängig vom jeweiligen Markt, Einlagenkonto- und Girokontenprodukte, Hypothekar- und Verbraucherkreditgeschäft, Investitions- und Betriebsmittelfinanzierung, Private Banking, Investment Banking, Asset-Management, Projektfinanzierung, Außenhandelsfinanzierung, Devisen- und Valutenhandel, Leasing und Factoring umfasst.</p>   |
| <p><b>B.16</b> Soweit dem Emittenten bekannt, ob an ihm unmittelbare oder mittelbare Beteiligungen oder Beherrschungsverhältnisse bestehen, wer diese Beteiligungen hält bzw. diese Beherrschung</p>                       | <p>Zum 31.10.2014 wurden 20,5% der Aktien der Erste Group Bank der DIE ERSTE Österreichische Spar-Casse Privatstiftung ("<b>Erste Stiftung</b>") zugerechnet, welche zu 12,7% unmittelbar und zu 7,8% mittelbar (wobei 1,1% davon von allen Sparkassen) gehalten werden. 9,1% der Aktien der Erste Group Bank wurden durch die CaixaBank, S.A. gehalten. Der Streubesitz beträgt 70,4% (wovon 4,1% von der Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung, Wien, Österreich, 4,0%</p> |



ausübt und welcher Art die Beherrschung ist. von der Harbor International Fund, 51,6% von institutionellen Investoren, 9,7% von privaten Investoren und 1,0% von Mitarbeitern der Erste Group gehalten werden) (alle Zahlen sind gerundet).

## **C. Die Wertpapiere**

- C.1** Beschreibung von Art und Gattung der angebotenen und/oder zum Handel zuzulassenden Wertpapiere, einschließlich jeder Wertpapierkennung.
- Art der Zertifikate**  
Die Zertifikate sind [Bonus][Capped Bonus][Discount][Open End Participations] [Open End Index] [Reverse Bonus][Capped Reverse Bonus][Participations][Index][Twin Win][Capped Twin Win] [Faktor] Zertifikate.
- Form der Zertifikate**  
[Jede Serie der] [Die] Zertifikate [wird] [werden] durch eine Sammelurkunde verbrieft.
- Wertpapierkennung**  
ISIN: [●]
- C.2** Währung der Wertpapieremission.
- Die für die Zertifikate maßgebliche Währung lautet [●]
- C.5** Beschreibung aller etwaigen Beschränkungen für die freie Übertragbarkeit der Wertpapiere.
- Jedes Zertifikat [einer Serie von Zertifikaten] ist in einer Anzahl, die dem in den Endgültigen Bedingungen angegebenen Mindesthandelsvolumen entspricht oder einem ganzzahligen Vielfachen davon und nach dem jeweils anwendbaren Recht und gegebenenfalls den jeweiligen geltenden Vorschriften und Verfahren der Verwahrstelle, in deren Unterlagen die Übertragung vermerkt ist, übertragbar.
- C.8** Beschreibung der mit den Wertpapieren verbundenen Rechte einschließlich der Rangordnung und der Beschränkungen dieser Rechte.
- Mit den Wertpapieren verbundene Rechte**  
Jedes Zertifikat gewährt seinem Inhaber einen Anspruch auf den Zahlungsbetrag wie unter C.15 ausführlicher beschrieben.
- Status der Wertpapiere**  
[Die jeweilige Serie von Zertifikaten] [Die Zertifikate] [begründet] [begründen] unmittelbare, unbesicherte und nicht nachrangige Verbindlichkeiten der Emittentin.
- Rang**  
Die Zertifikate sind untereinander und mit allen sonstigen gegenwärtigen und künftigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig, ausgenommen solche Verbindlichkeiten, denen auf Grund zwingender gesetzlicher Vorschriften Vorrang zukommt.
- Beschränkungen der Rechte**  
Die Emittentin ist unter den in den Zertifikatsbedingungen festgelegten Voraussetzungen zur Kündigung der Zertifikate und zu Anpassungen der Zertifikatsbedingungen berechtigt.
- Anwendbares Recht**

Form und Inhalt der Wertpapiere sowie alle Rechte und Pflichten aus den Zertifikaten bestimmen sich in jeder Hinsicht nach dem österreichischem Recht.

### Gerichtsstand

Ausschließlicher Gerichtsstand ist, soweit rechtlich zulässig, das für Wien, Innere Stadt, zuständige Gericht, wobei sich die Emittentin jedoch vorbehält, eine Klage bei einem ansonsten zuständigen Gericht einzubringen. Die Unterwerfung unter die Gerichtsbarkeit der Gerichte Wiens beschränkt nicht das Recht eines Wertpapierinhabers, Verfahren vor einem Gerichtsstand für Verbraucher anzustrengen, sofern und soweit dies durch anwendbare Gesetze vorgesehen ist.

**C.11** Es ist anzugeben, ob für die angebotenen Wertpapiere ein Antrag auf Zulassung zum Handel gestellt wurde oder werden soll, um sie an einem geregelten Markt oder anderen gleichwertigen Märkten zu platzieren, wobei die betreffenden Märkte zu nennen sind.

[Es ist beantragt worden, [die][jede Serie der] Zertifikate [zum geregelten Markt][im Amtlichen Handel] [in den Freiverkehr] an der [Wiener][,][ und] [Stuttgarter (EUWAX)][,][ und] [Budapester][,][ und] [Bukarester][,][ und] [Prager][,][ und] [Zagreber] [**andere einfügen**] Wertpapierbörse[, die [[kein] [ein] geregelter Markt] im Sinne der Richtlinie 2004/39/EG [ist][sind],] [zuzulassen][einzubeziehen]. [Die Zertifikate sind am [geregelten] [●] Markt der [Wiener][,][ und] [Stuttgarter (EUWAX)][,][ und] [Budapester][,][ und] [Bukarester][,][ und] [Prager][,][ und] [Zagreber] Wertpapierbörse zugelassen, [der][die] [ein][kein] geregelter Markt im Sinne der Richtlinie 2004/39/EG [ist][sind].]

[Entfällt. Die Notierung oder Zulassung der Zertifikate zu einem geregelten Markt oder im Freiverkehr wurde nicht beantragt.]

**C.15** Beschreibung, wie der Wert der Anlage durch den Wert des Basisinstruments/der Basisinstrumente beeinflusst wird, es sei denn, die Wertpapiere haben eine Mindeststückelung von 100.000 EUR.

### [Beschreibung der [Bonus][Capped Bonus] Zertifikate

Bei diesen Zertifikaten erhalten die Wertpapierinhaber am Rückzahlungstag einen Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.

(i) Sofern kein Barriere-Ereignis eintritt, entspricht der Auszahlungsbetrag dem Referenzpreis unter Berücksichtigung des Bezugsverhältnisses, mindestens aber dem Bonusbetrag[ und höchstens dem Höchstbetrag].

(ii) Sofern ein Barriere-Ereignis eingetreten ist, entspricht der Auszahlungsbetrag nicht mehr mindestens dem Bonusbetrag, sondern immer dem Referenzpreis unter Berücksichtigung des Bezugsverhältnisses (1:1 Partizipation an der Entwicklung des Basiswerts)[, jedoch höchstens dem Höchstbetrag].

Ein Barriere-Ereignis tritt dann ein, wenn der Beobachtungskurs des Basiswerts während des Beobachtungszeitraums die Barriere erreicht oder unterschreitet.

Die Wertpapierinhaber haben keine Ansprüche auf den/aus dem Basiswert (wie z.B. Stimmrechte, Dividenden).]

### **[Beschreibung der Discount Zertifikate**

Bei diesen Zertifikaten partizipieren die Wertpapierinhaber an der Entwicklung des Basiswerts während der Laufzeit. Der Anfängliche Ausgabepreis bzw. der Aktuelle Verkaufspreis des Zertifikats liegt jedoch unter dem aktuellen Marktpreis des Basiswerts (Discount) unter Berücksichtigung des Bezugsverhältnisses.

Am Rückzahlungstag erhalten die Wertpapierinhaber einen Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, der sich in Abhängigkeit vom Referenzpreis ermittelt.

(i) Liegt der Referenzpreis auf oder über dem Cap, entspricht der Auszahlungsbetrag dem Höchstbetrag.

(ii) Liegt der Referenzpreis unter dem Cap, erhalten Wertpapierinhaber einen Auszahlungsbetrag in Höhe des Referenzpreises unter Berücksichtigung des Bezugsverhältnisses.

Die Wertpapierinhaber haben keine Ansprüche auf den/aus dem Basiswert (wie z.B. Stimmrechte, Dividenden).]

### **[Beschreibung der Open End [Partizipations-][Index-]Zertifikate**

Open End [Partizipations-][Index-]Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet. Die Laufzeit der Zertifikate endet entweder (i) durch Ausübung der Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Der Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, entspricht dem Referenzpreis multipliziert mit dem Bezugsverhältnis.]

### **[Beschreibung der [Reverse Bonus][Capped Reverse Bonus] Zertifikate**

Bei diesen Zertifikaten erhalten Wertpapierinhaber am Fälligkeitstag einen Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt. Besonderheit dabei ist, dass Wertpapierinhaber an der Wertentwicklung des Basiswerts entgegengesetzt partizipieren.

(i) Sofern kein Barriere-Ereignis eingetreten ist, entspricht der Auszahlungsbetrag dem Reverselevel abzüglich des Referenzpreises unter Berücksichtigung des Bezugsverhältnisses, mindestens aber dem Bonusbetrag[ und höchstens dem Höchstbetrag].

(ii) Sofern ein Barriere-Ereignis eingetreten ist, entspricht der Auszahlungsbetrag nicht mehr mindestens dem Bonusbetrag, sondern entspricht immer dem Reverselevel abzüglich des Referenzpreises unter Berücksichtigung des Bezugsverhältnisses (1:1 Partizipation an der negativen Wertentwicklung des Basiswerts), mindestens jedoch null[ und höchstens dem Höchstbetrag].

Ein Barriere-Ereignis tritt dann ein, wenn der Beobachtungskurs des Basiswerts während des Beobachtungszeitraums die Barriere erreicht oder überschreitet.

Die Wertpapierinhaber haben keine Ansprüche auf den/aus dem Basiswert (wie z.B. Stimmrechte, Dividenden).]

#### **[Beschreibung der [Partizipations-][Index-]Zertifikate**

Bei diesen Zertifikaten erhalten Wertpapierinhaber am Rückzahlungstag einen Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt. Der Auszahlungsbetrag entspricht dem Referenzpreis multipliziert mit dem Bezugsverhältnis [und dem Managementfaktor].]

#### **[Beschreibung der [Twin Win][Capped Twin Win] Zertifikate**

Die Höhe des gegebenenfalls in die Auszahlungswährung umgerechneten Auszahlungsbetrags bei Twin Win Zertifikaten ist an die Entwicklung des Basiswerts gekoppelt, wobei die folgenden Fälle zu unterscheiden sind:

(i) Sofern kein Barriere-Ereignis eingetreten ist und der Referenzpreis dem Basispreis entspricht oder diesen überschreitet, entspricht der Auszahlungsbetrag je Wertpapier dem Produkt aus (A) dem Bezugsverhältnis und (B) der Summe aus (i) dem Basispreis und (ii) dem Produkt aus (x) der Differenz zwischen dem Referenzpreis und dem Basispreis und (y) dem anwendbaren Partizipationsfaktor[, wobei der Auszahlungsbetrag den anwendbaren Höchstbetrag nicht übersteigt].

(ii) Sofern kein Barriere-Ereignis eingetreten ist, aber der Referenzpreis den Basispreis unterschreitet, entspricht der Auszahlungsbetrag je Wertpapier dem Produkt aus (A) dem Bezugsverhältnis und (B) der Summe aus (i) dem Basispreis und (ii) dem Produkt aus (x) der Differenz zwischen dem Basispreis und dem Referenzpreis und (y) dem anwendbaren Partizipationsfaktor[, wobei der Auszahlungsbetrag den anwendbaren Höchstbetrag nicht übersteigt].

(iii) Sofern ein Barriere-Ereignis eingetreten ist, entspricht der Auszahlungsbetrag je Wertpapier dem Produkt aus (i) dem Referenzpreis und (ii) dem Bezugsverhältnis[, wobei der Auszahlungsbetrag den anwendbaren Höchstbetrag nicht übersteigt].

Ein Barriere-Ereignis tritt dann ein, wenn ein in den jeweiligen Endgültigen Bedingungen bestimmter Beobachtungskurs die Barriere erreicht oder unterschreitet.

Die Partizipationsfaktoren[ und die Höchstbeträge] können in den einzelnen Fällen voneinander abweichen.

Die Wertpapierinhaber haben keine Ansprüche auf

den/aus dem Basiswert (wie z.B. Stimmrechte, Dividenden).]

### **[Beschreibung der Faktor Zertifikate**

Faktor Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet. Die Laufzeit der Zertifikate endet entweder (i) durch Ausübung der Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Die Wertentwicklung von Faktor Zertifikaten hängt von den Bewegungen des jeweiligen Basiswerts unter Berücksichtigung einer Hebel- und einer Finanzierungskomponente ab.

[Bei Faktor Long Zertifikaten spiegelt die Hebelkomponente den mehrfachen Kauf des Basiswerts wider. Kursbewegungen des Basiswerts wirken sich sowohl bei positiven als auch negativen Entwicklungen des Basiswerts überproportional auf den Wert der Faktor Long Zertifikate aus.

Die Finanzierungskomponente resultiert aus den Kosten für eine Kapitalaufnahme zu einem Tagesgeldsatz erhöht um einen Zinsaufschlag. Da die Finanzierungskomponente stets negativ ist, wirkt sie sich an jedem Berechnungstag wertmindernd auf das Faktor Zertifikat aus.

Bei Faktor Long Zertifikaten entspricht der Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, der Differenz aus (i) dem Produkt aus dem Auszahlungsbetrag am vorangegangenen Berechnungstag und der täglichen gehebelten Wertentwicklung und (ii) den Finanzierungskosten. Die tägliche gehebelte Wertentwicklung entspricht der Summe aus (i) eins (1) und (ii) dem Produkt aus der prozentualen Wertentwicklung des Basiswerts und dem Faktor. Die prozentuale Wertentwicklung des Basiswerts an einem Berechnungstag entspricht der Differenz aus (i) dem Quotienten aus dem Referenzpreis und dem Referenzpreis am vorangegangenen Berechnungstag oder, sofern zwischen dem Zeitpunkt der Feststellung des Referenzpreises am vorangegangenen Berechnungstag und der Feststellung des Referenzpreises am Berechnungstag ein Stop-Loss Ereignis eingetreten ist, dem Stop-Loss Referenzpreis und (ii) eins (1). Ein Stop-Loss Ereignis liegt vor, wenn ein bestimmter Beobachtungskurs die Stop-Loss Barriere erreicht oder unterschreitet.]

[Bei Faktor Short Zertifikaten spiegelt die Hebelkomponente den mehrfachen Verkauf des Basiswerts wider. Kursbewegungen des Basiswerts wirken sich sowohl bei positiven als auch negativen Entwicklungen des Basiswerts überproportional auf den Wert der Faktor Short Zertifikate aus.

Die Finanzierungskomponente resultiert aus den Kosten

für eine Kapitalaufnahme zu einem Tagesgeldsatz verringert um einen Zinsabschlag. Da die Finanzierungskomponente stets negativ ist, wirkt sie sich an jedem Berechnungstag wertmindernd auf das Faktor Zertifikat aus.

Bei Faktor Short Zertifikaten entspricht der Auszahlungsbetrag, gegebenenfalls umgerechnet in die Auszahlungswährung, der Summe aus (i) dem Produkt aus dem Auszahlungsbetrag am vorangegangenen Berechnungstag und der Täglichen Gehebelten Wertentwicklung und (ii) den Finanzierungskosten. Die Tägliche Gehebelte Wertentwicklung entspricht der Summe aus (i) eins (1) und (ii) dem Produkt aus der Prozentualen Wertentwicklung des Basiswerts und dem Faktor. Die Prozentuale Wertentwicklung des Basiswerts an einem Berechnungstag entspricht der Differenz aus (i) eins (1) und (ii) dem Quotienten aus dem Referenzpreis und dem Referenzpreis am vorangegangenen Berechnungstag oder, sofern zwischen dem Zeitpunkt der Feststellung des Referenzpreises am vorangegangenen Berechnungstag und der Feststellung des Referenzpreises am Berechnungstag ein Stop-Loss Ereignis eingetreten ist, dem Stop-Loss Referenzpreis. Ein Stop-Loss Ereignis liegt vor, wenn ein bestimmter Beobachtungskurs die Stop-Loss Barriere erreicht oder überschreitet.]

**Aufgrund der Konstruktion der Faktor Zertifikate, insbesondere aufgrund der Verknüpfung der Faktor Zertifikate mit der Täglichen Gehebelten Wertentwicklung, können die täglichen Schwankungen des Basiswerts einen erheblichen negativen Einfluss auf die Wertentwicklung der Zertifikate haben. Aus diesem Grund eignen sich Faktor Zertifikate nicht für eine längerfristige Anlage und bieten sich nicht als Alternative gegenüber einem Direktinvestment in den Basiswert selbst an, da die Entwicklung der Täglichen Gehebelten Wertentwicklung und damit der Wert der Faktor Zertifikate über einen längeren Zeitraum wesentlich von der Entwicklung des Wertes des Basiswerts selbst abweichen kann.]**

- |             |   |  |
|-------------|---|--|
| <b>C.16</b> | Verfallstag oder Fälligkeitstermin der derivativen Wertpapiere – Ausübungstermin oder letzter Referenztermin. | Rückzahlungstag(e): [●]<br>Ausübungstag(e): [●]<br>Finale(r) Bewertungstag(e): [●]   |
| <b>C.17</b> | Beschreibung des Abrechnungsverfahrens für die derivativen Wertpapiere.                                       | Die Emittentin überweist die jeweils unter den Zertifikaten fälligen Zahlungen an das maßgebliche Clearingsystem zur Weiterleitung an die Wertpapierinhaber. |
| <b>C.18</b> | Beschreibung der Rückgabemodalitäten bei derivativen Wertpapieren.  | Kursreferenz am Finalen Bewertungstag (Referenzpreis): [●]   |

- C.19** Ausübungspreis oder endgültiger Referenzpreis des Basiswerts. Kursreferenz am Finalen Bewertungstag (Referenzpreis): [●]
- C.20** Beschreibung der Art des Basiswerts und Angabe des Ortes, an dem Informationen über den Basiswert erhältlich sind. Typ: [Aktie] [Aktienkorb] [Index<sup>8</sup>] [Währungswechselkurs] [Zinssatz] [Rohstoff] [Futures-Kontrakt]  
Name: [●]  
[Emittent][Berechnungsstelle][Gesellschaft][Index-Sponsor][Referenzmarkt]: [●]  
[Referenzquelle]: [●]  
Informationen über den Basiswert sind [auf der Website www.[●]] [und] [auf der Seite von Bloomberg oder Reuters] für jedes Wertpapier oder die den Basiswert bildenden Bestandteile abrufbar.

## D. Risiken

### D.2 Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind.

#### Risiken in Bezug auf das Geschäft der Erste Group

- Die schwierigen volkswirtschaftlichen Bedingungen und die Bedingungen am Finanzmarkt können erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit, die Finanz- und Ertragslage sowie die Zukunftsaussichten der Erste Group haben.
- Die Erste Group wurde und kann weiterhin von der anhaltenden europäischen Staatsschuldenkrise beeinflusst und zu Abschreibungen von Staatsanleihen einiger Länder gezwungen werden.
- Die Erste Group hat und könnte in Zukunft auch weiterhin eine Verschlechterung der Bonität aufgrund von Finanzkrisen oder Konjunkturschwächen erfahren.
- Die Erste Group unterliegt einem erheblichen Gegenparteirisiko, und Ausfälle von Gegenparteien können zu Verlusten führen, die die Rückstellungen der Erste Group übersteigen.
- Die Absicherungsstrategien der Erste Group könnten sich als unwirksam erweisen.
- Die Erste Group ist sinkenden Werten der Sicherheiten für Geschäftskredite und private Immobilienkredite ausgesetzt.
- Marktschwankungen und Volatilität können sich negativ auf den Wert der Vermögenswerte der Erste Group auswirken, Rentabilität reduzieren und es schwieriger machen, den Fair Value bestimmter Vermögenswerte festzustellen.

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<sup>8</sup> Nicht anwendbar für Produkt Nr. 7: Faktor Zertifikate

- Die Erste Group unterliegt dem Risiko, dass Liquidität nicht ohne weiteres zur Verfügung steht.
- Ratingagenturen können ein Rating der Erste Group Bank oder eines Landes, in dem die Erste Group tätig ist, aussetzen, herabstufen oder zurückziehen, was sich negativ auf die Refinanzierungsbedingungen der Erste Group Bank, insbesondere auf den Zugang zu den Fremdkapitalmärkten, auswirken kann.
- Neue staatliche oder aufsichtsrechtliche Anforderungen und Änderungen von Eigenkapitalquoten und des Verschuldungsgrades könnten die Erste Group erhöhten Eigenkapitalanforderungen oder Standards unterwerfen und die Aufbringung von zusätzlichem Kapital oder zusätzlicher Liquidität in Zukunft erforderlich machen.
- Risiko der Änderung steuerlicher Rahmenbedingungen, insbesondere betreffend die Stabilitätsabgabe und die Einführung einer Finanztransaktionssteuer.
- Die Emittentin ist möglicherweise nicht in der Lage, die Mindestanforderungen für Eigenmittel und abschreibungsfähige Verbindlichkeiten zu erfüllen.
- Zukünftig wird die Emittentin verpflichtet sein, Beiträge an den Einheitlichen Abwicklungsfonds und an ex-ante finanzierte Fonds der Einlagensicherungssysteme abzuführen.
- Zukünftig könnte die Emittentin verpflichtet sein, den Eigenhandel einzustellen und/oder bestimmte Handelsaktivitäten von ihrem Kerngeschäft abzutrennen.
- Trotz Risikomanagement und internen Kontrollverfahren kann die Erste Group unbekanntem und unerwarteten Risiken ausgesetzt sein.
- Das Geschäft der Erste Group unterliegt operativen Risiken.
- Die Erste Group könnte Schwierigkeiten haben, qualifizierte Mitarbeiter anzuwerben oder zu binden.
- Ein Ausfall, eine Unterbrechung oder eine Verletzung von Sicherheitsbestimmungen von Informationssystemen der Erste Group, sowie jegliche Nicht-Aktualisierung dieser Systeme, kann Geschäfts- und andere Verluste zur Folge haben.
- Die Erste Group könnte gezwungen sein, angeschlagenen Banken im Haftungsverbund finanzielle Unterstützung zu gewähren, was zu bedeutenden Kosten und einer Bindung ihrer Ressourcen führen könnte.
- Zinsänderungen werden durch viele Faktoren verursacht, die außerhalb des Einflussbereichs der Erste Group liegen, und solche Änderungen können wesentliche negative Auswirkung auf ihr Finanzergebnis und ihren Zinsüberschuss haben.
- Da ein großer Teil der Aktivitäten, Vermögenswerte und Kunden der Erste Group auf Länder in Zentral und Osteuropa, die nicht der Eurozone angehören, konzentriert sind, sind die Erste Group und ihre Kunden Währungsrisiken ausgesetzt.
- Es könnte für Erste Group nicht möglich sein, BCR wieder in die Gewinnzone zu bringen oder könnte Erste Group gezwungen sein, weitere Wertberichtigungen auf frühere Akquisitionen vorzunehmen.
- Veränderungen der Sicherheitsstandards der EZB könnten negative Auswirkungen auf die Finanzierung der Erste Group und deren Eindeckung mit Liquidität haben.



- Die Erste Group ist in einem wettbewerbsintensiven Markt tätig und konkurriert mit großen internationalen Finanzinstituten wie auch etablierten lokalen Mitbewerbern.
- Die Hauptaktionäre der Erste Group können Aktionärsmaßnahmen kontrollieren.
- Die Einhaltung von Vorschriften im Zusammenhang mit Maßnahmen zur Verhinderung von Geldwäsche, Korruption und Terrorismusfinanzierung bringt erhebliche Kosten und Aufwendungen mit sich und die Nichteinhaltung dieser Vorschriften hat schwerwiegende rechtliche sowie reputationsmäßige Folgen.
- Änderungen in der Konsumentenschutzgesetzgebung sowie in der Anwendung und Auslegung solcher Gesetze können zu einer Beschränkung jener Gebühren und anderer Preise führen, welche die Erste Group für bestimmte Bankentransaktionen in Rechnung stellt und könnte es Konsumenten ermöglichen, einen Teil der bereits in der Vergangenheit bezahlten Gebühren zurückzufordern.
- Die Eingliederung von potentiellen zukünftigen Akquisitionen kann zu zusätzlichen Herausforderungen führen.

#### **Risiken in Bezug auf die Märkte, in denen die Erste Group tätig ist**

- Der Ausstieg eines Landes oder mehrerer Länder aus der Eurozone könnte unvorhersehbare Folgen für das Finanzsystem und die Wirtschaft über die Eurozone hinaus haben und möglicherweise zu einer Abnahme des Geschäftsvolumens, Abschreibungen auf Vermögenswerte und Verluste über das gesamte Geschäft der Erste Group hinweg führen.
- Die Erste Group ist in Schwellenmärkten tätig, die möglicherweise schnellen wirtschaftlichen oder politischen Änderungen unterworfen sind; diese Änderungen können sich negativ auf ihre Finanz- und Ertragslage auswirken.
- Zugesagte EU-Gelder könnten nicht freigegeben werden oder weitere Hilfsprogramme könnten von der EU nicht gebilligt werden.
- Der Verlust des Verbrauchervertrauens in das Geschäft der Erste Group oder in Bankgeschäfte im Allgemeinen könnte zu unerwartet hohen Abhebungen von Kundengeldern führen, was sich wesentlich nachteilig auf die Ergebnisse, Finanzlage und Liquidität der Gruppe auswirken könnte.
- Liquiditätsprobleme in bestimmten Ländern in Zentral und Osteuropa können sich auch über die Länder in Zentral und Osteuropa hinaus ausbreiten und die Geschäftsergebnisse und Finanzlage der Erste Group nachteilig beeinflussen.
- Regierungen in Ländern, in denen die Erste Group tätig ist, können auf Finanz- und Wirtschaftskrisen mit höheren Schutzzöllen, Verstaatlichungen oder ähnlichen Maßnahmen reagieren.
- Die Erste Group kann durch ein langsames Wachstum oder eine Rezession im Bankensektor, in dem sie tätig ist, sowie durch eine langsamere Ausbreitung in der Eurozone und der EU nachteilig beeinflusst werden.
- Die Rechtssysteme und Verfahrensvorschriften in vielen Ländern in Zentral und Osteuropa und insbesondere in den Ländern Osteuropas sind noch nicht vollständig ausgereift.
- Anwendbare Insolvenzgesetze und andere Gesetze und Vorschriften in Bezug auf Gläubigerrechte in bestimmten Ländern in Zentral und Osteuropa

können die Fähigkeit der Erste Group einschränken, Zahlungen auf notleidende Kredite und Auszahlungen zu erhalten.

- Die Erste Group ist möglicherweise zur Beteiligung an oder Finanzierung von staatlichen Programmen zur Unterstützung von Banken oder zur Finanzierung von Haushaltskonsolidierungsprogrammen verpflichtet, einschließlich durch die Einführung von Bankensteuern oder anderen Abgaben.

**D.3, D.6 Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind.**

**RISIKOHINWEIS: Anleger sollten bedenken, dass sie ihren Kapitaleinsatz ganz oder teilweise verlieren könnten, wobei die Haftung des Anlegers aber auf den Wert seiner Anlage (einschließlich Spesen) beschränkt ist.**

**Allgemeine Risikofaktoren**

- Die Zertifikate sind risikoreiche Instrumente der Vermögensanlage. Im Vergleich zu anderen Kapitalanlagen ist bei ihnen das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten – hoch; die Zertifikate werfen, soweit nicht ausdrücklich vorgesehen, keinen laufenden Ertrag ab.
- Zertifikate mit einem Partizipationsfaktor beinhalten das Risiko, dass Wertpapierinhaber an Wertveränderungen des Basiswerts unterproportional bzw. überproportional partizipieren.
- Die Zertifikate könnten keine Liquidität aufweisen oder der Markt für solche Zertifikate könnte eingeschränkt sein, wodurch der Wert der Zertifikate oder die Möglichkeit der Wertpapierinhaber, diese zu veräußern, negativ beeinflusst werden könnte.
- Wertpapierinhaber sollten beachten, dass Kursänderungen (oder auch schon das Ausbleiben einer erwarteten Kursänderung) des Basiswerts den Wert des Zertifikats überproportional bis hin zur Wertlosigkeit mindern können, und dass bei Zertifikaten mit Laufzeitbegrenzung nicht darauf vertraut werden sollte, dass sich der Preis des Zertifikats rechtzeitig wieder erholen wird.
- Die Wertentwicklung der Zertifikate ist an die Wertentwicklung des Basiswerts gekoppelt, welche wiederum durch nationale und internationale finanzielle, politische, militärische oder wirtschaftliche Ereignisse, einschließlich staatlicher Maßnahmen, oder durch Aktivitäten der Teilnehmer der betroffenen Märkte, beeinflusst wird. Jedes dieser Ereignisse bzw. jede dieser Aktivitäten kann den Wert der Zertifikate negativ beeinflussen.
- Hat der Basiswert einen Bezug zu Schwellenländern, muss ein Wertpapierinhaber mit erheblichen politischen und wirtschaftlichen Unsicherheiten rechnen, die erheblichen Einfluss auf die Kursentwicklung der Zertifikate haben können.
- Falls Auszahlungen auf die Zertifikate in einer Währung vorgenommen werden, die sich von der Währung des Basiswerts unterscheidet und solche Zertifikate keine "Quanto" Funktion aufweisen, hängt das Verlustrisiko der Wertpapierinhaber auch von der Entwicklung der Referenzwährung des Basiswerts gegenüber der Währung der Zertifikate ab, welche nicht vorhersehbar ist.
- Wertpapierinhabern sollte bewusst sein, dass sie eventuell nicht in der

- Lage sein werden, sich gegen Risiken aus den Zertifikaten abzusichern.
- Eine Kreditfinanzierung des Erwerbs von Zertifikaten erhöht die maximal mögliche Höhe eines Verlusts erheblich.
  - Absicherungsgeschäfte der Emittentin können den Preis der Zertifikate für den Anleger nachteilig beeinflussen.
  - Nebenkosten auf gegebenenfalls zu erwartende Erträge verringern den Gewinn der Wertpapierinhaber.
  - Wertpapierinhaber sind dem Risiko einer falschen Einschätzung der Liquidität der Zertifikate aufgrund des Emissionsvolumens der Zertifikate ausgesetzt.
  - Marktstörungen, Anpassungsmaßnahmen und Kündigungsrechte können negative Auswirkungen auf die Rechte der Wertpapierinhaber haben.
  - Berichtigungen, Änderungen oder Ergänzungen der Zertifikatsbedingungen können nachteilig für Wertpapierinhaber sein.
  - Änderungen der Steuergesetzgebung können die Wertpapierinhaber negativ beeinflussen.
  - Zertifikate sind möglicherweise nicht geeignet, um Risiken abzusichern.
  - Es besteht das Risiko, dass der Handel mit den Zertifikaten oder den Basiswerten ausgesetzt, unterbrochen oder beendet wird.
  - Auf Grund zukünftiger Geldentwertung (Inflation) kann sich die tatsächliche Rendite einer Anlage verringern.
  - Anleger müssen sich auf das Funktionieren des jeweiligen Clearing-Systems verlassen.
  - Emissionsratings/Kreditratings/Ratings spiegeln möglicherweise nicht alle Risiken wider.
  - Rechtliche Erwägungen im Zusammenhang mit der Anlageentscheidung können Veranlagungsmöglichkeiten einschränken.
  - Ein österreichisches Gericht kann einen Kurator für die Zertifikate bestellen, der die Interessen der Wertpapierinhaber für sie vertritt und ihre Rechte für sie ausübt, sodass die Möglichkeit der Zertifikateinhaber, ihre Rechte unter den Zertifikaten einzeln auszuüben, eingeschränkt sein kann.
  - Risiko aufgrund des U.S.-Steuer-Reportings ausländischer Finanzinstitute (Foreign Account Tax Compliance Act - FATCA).
  - Die Zertifikate können nach Eintritt eines bestimmten Auslöse-Ereignisses der Abschreibung oder Umwandlung in Eigenkapital unterliegen, wodurch die Gläubiger einen Teil oder die Gesamtheit ihrer Anlage in die Zertifikate verlieren können (gesetzliche Verlustbeteiligung).

### **Risikofaktoren im Hinblick auf bestimmte Zertifikatstypen**

#### **[Produkt Nr. 1: Risikofaktoren im Hinblick auf [Bonus][Capped Bonus] Zertifikate**

*Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im*

### *Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

### *Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

### *Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Ein so genanntes Barriere-Ereignis tritt dann ein, wenn der Beobachtungskurs während des Beobachtungszeitraums die Barriere erreicht oder unterschreitet. Wertpapierinhaber sollten beachten, dass im Fall des Eintritts eines Barriere-Ereignisses der Anspruch auf die Mindestrückzahlung in Höhe des Bonusbetrags erlischt und das [Bonus][Capped Bonus] Zertifikat mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar ist, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag wertlos ist.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Wertpapiers.

*[Im Fall von Capped Bonus Zertifikaten ist der Auszahlungsbetrag auf den*

### *Höchstbetrag begrenzt*

Unabhängig davon, ob ein Barriere-Ereignis eingetreten ist oder nicht, entspricht der Auszahlungsbetrag maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]]

### **[Produkt Nr. 2: Risikofaktoren im Hinblick auf Discount Zertifikate**

#### *Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

#### *Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

#### *Auszahlungsbetrag ist auf Höchstbetrag begrenzt*

Der Auszahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.

#### *Risiko eines Totalverlusts*

Unterhalb des Cap sind Discount Zertifikat mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der

Basiswert am Finalen Bewertungstag wertlos ist.]

### **[Produkt Nr. 3: Risikofaktoren im Hinblick auf Open End [Partizipations-][Index-]Zertifikate**

*Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (*Open End*). Die Laufzeit der Wertpapiere endet entweder (i) durch Ausübung der Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Die Zertifikate können während der Laufzeit durch den Wertpapierinhaber während einer bestimmten Ausübungsfrist durch Abgabe einer Ausübungserklärung ausgeübt werden. Der Auszahlungsbetrag bei ausgeübten Zertifikaten wird auf Grundlage des Referenzpreises des Basiswerts an dem betreffenden Ausübungstermin berechnet.

Die Emittentin ist darüber hinaus berechtigt, die Zertifikate außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen.

Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Wertpapierinhaber nicht darauf vertrauen, dass die Wertpapiere eine unbegrenzte Laufzeit haben. Wertpapierinhaber sollten daher nicht darauf vertrauen, eine Position in den Zertifikaten über einen längeren Zeitraum halten zu können. Wertpapierinhaber können weiterhin nicht darauf vertrauen, dass sich der Kurs des Basiswerts rechtzeitig vor einem Kündigungstermin in eine für sie positive Richtung entwickelt.

*Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die grundsätzlich unbegrenzte Laufzeit der Zertifikate durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

*[Risiko im Hinblick auf Open End Partizipations-Zertifikate auf Futures Kontrakte mit Transaktionsgebühr*

Im Fall von Open End Partizipations-Zertifikaten auf Futures Kontrakte können zusätzlich zur Deckung der durch den Rollover entstehenden Transaktionskosten eine "Transaktionsgebühr" berechnet werden, deren Höhe sich aus einer in der Referenzwährung ausgedrückten Zahl pro Futures Kontrakt ergibt. Die Umlegung dieser Transaktionskosten auf das Bezugsverhältnis führt zu einem entsprechenden Wertverlust der Zertifikate, wenn die Transaktionsgebühr größer als null ist. Zu berücksichtigen ist weiterhin, dass die Transaktionsgebühr sowohl im Zusammenhang mit dem Kauf als auch im Zusammenhang mit dem Verkauf der Futures Kontrakte bei einem Rollover anfällt und damit bei der Ermittlung des angepassten Bezugsverhältnisses zweimal zu berücksichtigen ist.]

#### *Risiko des Totalverlusts*

Open End [Partizipations-][Index-]Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen und Transaktionsgebühren, sofern anwendbar) vergleichbar, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Finalen Bewertungstag (beispielsweise im Fall einer Kündigung durch Emittentin) wertlos ist.]

#### **[Produkt Nr. 4: Risikofaktoren im Hinblick auf [Reverse Bonus][Capped Reverse Bonus] Zertifikate**

##### *Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

##### *Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag

möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

*Risiken im Hinblick auf die Wertentwicklung von [Reverse Bonus][Capped Reverse Bonus] Zertifikaten aufgrund der Reverse-Struktur*

Bei Reverse Bonus Zertifikaten und Capped Reverse Bonus Zertifikaten ist die Entwicklung des Werts des Zertifikats umgekehrt abhängig von der Entwicklung des Basiswerts. Im Gegensatz zu üblichen Partizipationswertpapieren, die eine sog. Long Position verbrieften (fingierter "Kauf" des Basiswerts), verbrieften Reverse Bonus Zertifikate eine sog. Short Position (fingierter "Leerverkauf" des Basiswerts). Das bedeutet, dass diese Zertifikate eine positive Beteiligung des Wertpapierinhabers an einem Wertverlust des Basiswerts ermöglichen. **Entsprechend verliert ein Reverse Bonus Zertifikate regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Zertifikaten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt.**

*Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Im Fall von Reverse-Strukturen tritt ein so genanntes Barriere-Ereignis dann ein, wenn der Beobachtungskurs während des Beobachtungszeitraums die Barriere erreicht oder überschreitet. Wertpapierinhaber sollten beachten, dass im Fall des Eintritts eines Barriere-Ereignisses, der Anspruch auf die Mindestrückzahlung erlischt und der Wertpapierinhaber 1:1, im Fall von Capped Reverse Bonus Zertifikaten bis zur Höhe des Caps, an der negativen Entwicklung des Basiswerts partizipiert. In diesem Fall besteht ein Totalverlustrisiko für den Wertpapierinhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag dem Reverselevel entspricht oder dieses überschreitet.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Zertifikats.

*[Im Fall von Capped Reverse Bonus Zertifikaten ist der Auszahlungsbetrag auf Höchstbetrag begrenzt*

Der Auszahlungsbetrag bei Capped Reverse Bonus Zertifikaten entspricht maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden negativen Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Reverse Bonus Zertifikaten nach oben hin beschränkt ist.]

*Beschränkte Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps*

Wertpapierinhaber sollten beachten, dass die Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps beschränkt ist, da die negative Entwicklung des Basiswerts nicht mehr als 100% betragen kann, d.h. bei Reverse Bonus Zertifikaten entspricht der Auszahlungsbetrag maximal dem Reverselevel (unter Berücksichtigung des Bezugsverhältnisses und gegebenenfalls umgerechnet in die Auszahlungswährung).



Bei Reverse Bonus Zertifikaten besteht zwischen dem wirtschaftlichen Wert der Zertifikate und dem wirtschaftlichen Wert des Basiswerts dementsprechend folgender grundsätzlicher Zusammenhang: **Ein Reverse Bonus Zertifikat verliert regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Zertifikaten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt. Dementsprechend kann es bei dem Wertpapierinhaber zu einem Totalverlust des eingesetzten Kapitals kommen, wenn der Kurs des Basiswerts entsprechend steigt und das Reverselevel erreicht oder übersteigt.]**

#### **[Produkt Nr. 5. Risikofaktoren im Hinblick auf [Partizipations-][Index-]Zertifikate**

*Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

*Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

*[Risiko im Hinblick auf Partizipations-Zertifikate mit Managementgebühr*

Wertpapierinhaber sollten beachten, dass die Managementgebühr in der Abhängigkeit von der Haltedauer der Wertpapiere den Betrag mindert, den ein Wertpapierinhaber am Ende der Laufzeit erhält und dass die Managementgebühr darüber hinaus auch während der Laufzeit der Wertpapiere die Preisbildung der Wertpapiere im Sekundärmarkt negativ beeinflusst.]

### *Risiko eines Totalverlusts*

[Partizipations-][Index-]Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Finalen Bewertungstag wertlos ist.]

### **[Produkt Nr. 6. Risikofaktoren im Hinblick auf [Twin Win][Capped Twin Win] Zertifikate**

#### *Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

#### *Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

#### *Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Wertpapierinhaber sollten beachten, dass im Fall, dass ein Barriere-Ereignis eingetreten ist, das [Capped] Twin Win Zertifikat mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar ist, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag wertlos ist.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des

Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Zertifikats.

*[Im Fall von Capped Twin Win Zertifikaten ist der Auszahlungsbetrag auf den Höchstbetrag begrenzt*

Unabhängig davon, ob ein Barriere-Ereignis eingetreten ist oder nicht, entspricht der Auszahlungsbetrag maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Twin Win Zertifikaten nach oben hin beschränkt ist.]]

### **[Produkt Nr. 7. Risikofaktoren im Hinblick auf Faktor Zertifikate**

*Risiko von Anlagen in gehebelten Basiswerten*

Im Unterschied zu anderen Open End Partizipations-Zertifikaten sind Faktor Zertifikate gehebelt.

Anleger sollten insbesondere beachten, dass bei Faktor Zertifikaten die tägliche Wertentwicklung des Basiswerts mit dem anwendbaren Hebelfaktor gehebelt wird, d. h. positive und negative Bewegungen des Basiswerts haben einen unverhältnismäßigen Einfluss auf den Wert des Zertifikats. Dies bedeutet, dass die Festsetzung des Hebelfaktors gleichzeitig auch die Höhe des Risikos bestimmt. Je höher der Hebel, desto höher ist auch das Risiko. **Es ist zu beachten, dass die Preisentwicklung von Faktor Zertifikaten völlig unabhängig von der Kursentwicklung des Basiswerts sein kann.**

Im Fall, dass der Kurs des Basiswerts erheblich fällt, kann der Wert des Zertifikats aufgrund des Hebelfaktors auf einen sehr geringen Wert fallen. Zwar führen dann alle späteren Kursgewinne des Basiswerts zu Wertsteigerungen des Zertifikats. Allerdings ist dann das Ausgangsniveau für die Werterholung des Zertifikats sehr niedrig, so dass sich erhebliche Kursgewinne des Basiswerts nur geringfügig auf die Erholung des Preises des Zertifikats auswirken.

Die Faktor Zertifikate sehen eine Art Anpassungslevel (Stop-Loss Barriere) vor, das Anleger vor einem Totalverlust ihres Investments schützen soll. Dennoch ist es möglich, dass ein solches Anpassungslevel unter ungünstigen Umständen Anleger nicht davor schützt, untertäglich einen Verlust zu erleiden, der einem Totalverlust des investierten Kapitals nahe kommt.

**Kapitalmärkte unterliegen in der Regel über längere Zeiträume Schwankungen. Aufgrund der Konstruktion der Faktor Zertifikate können diese Schwankungen einen erheblichen negativen Einfluss auf die Wertentwicklung der Zertifikate haben. Faktor Zertifikate eignen sich nicht für eine längerfristige Anlage und bieten sich nicht als Alternative gegenüber einem Direktinvestment in den Basiswert selbst an, da die Entwicklung der Täglichen Gehebelten Wertentwicklung und damit der Wert der Faktor Zertifikate über einen längeren Zeitraum wesentlich von der Entwicklung des Wertes des Basiswerts selbst abweichen kann.**

*Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (*Open End*). Die Laufzeit der Zertifikate endet entweder (i) durch Ausübung der

Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Die Zertifikate können während der Laufzeit durch den Wertpapierinhaber während einer bestimmten Ausübungsfrist durch Abgabe einer Ausübungserklärung ausgeübt werden. Der Auszahlungsbetrag bei ausgeübten Zertifikaten wird auf Grundlage der täglichen Wertentwicklung des Basiswerts an dem betreffenden Ausübungstag berechnet.

Die Emittentin ist darüber hinaus berechtigt, die Zertifikate außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen.

Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Wertpapierinhaber nicht darauf vertrauen, dass die Zertifikate eine unbegrenzte Laufzeit haben. Wertpapierinhaber sollten daher nicht darauf vertrauen, eine Position in den Zertifikaten über einen längeren Zeitraum halten zu können.

*Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die grundsätzlich unbegrenzte Laufzeit der Zertifikate durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

*[Risiko im Hinblick auf Faktor Zertifikate mit Transaktionsgebühr*

Im Fall von Faktor Zertifikaten auf Futures Kontrakte kann zusätzlich zu den zur Deckung der durch den Rollover entstehenden Transaktionskosten eine "Transaktionsgebühr" berechnet werden, deren Höhe sich aus einer in der Referenzwährung ausgedrückten Zahl pro Futures Kontrakt ergibt. Die Umlegung dieser Transaktionskosten auf das Bezugsverhältnis führt zu einem entsprechenden Wertverlust der Zertifikate, wenn die Transaktionsgebühr größer als null ist. Zu berücksichtigen ist weiterhin, dass die Transaktionsgebühr sowohl im Zusammenhang mit dem Kauf als auch im Zusammenhang mit dem Verkauf der Futures Kontrakte bei einem Rollover anfällt.]

*Risiko des Totalverlusts*

Im schlechtesten Fall kann es bei Faktor Zertifikaten zum Totalverlust des eingesetzten Kapitals kommen. Dies ist jedenfalls dann der Fall, wenn der Referenzpreis des Basiswerts am Finalen Bewertungstag null beträgt.]

### **Risikofaktoren in Bezug auf bestimmte Arten von Basiswerten**

Je nachdem welcher Basiswert bzw. welche Basiswerte den Zertifikaten

zugrunde liegen, sind die Anleger Risiken ausgesetzt, welche sich aus der Art des Basiswerts und der Verhaltensweise von dessen Marktpreisen ergeben, da der Auszahlungsbetrag den ein Anleger erhält von der Wertentwicklung des Basiswerts abhängt. Die in diesem Programm vorgesehenen Basiswerte unterscheiden sich signifikant in ihrer typischen Preisvolatilität. Anleger sollte nur in die Zertifikate investieren, sofern sie auch mit dem jeweiligen Basiswert vertraut sind und ein umfassendes Verständnis bezüglich der Art des Basiswerts als solchem und der Markt- und anderweitigen Regeln des Basiswerts haben.

**Risikofaktoren in Bezug auf Interessenkonflikte**

Anleger sind dem Risiko direkter oder indirekter Handlungen der Emittentin ausgesetzt, die negative Einflüsse auf den Marktpreis der Zertifikate haben können oder die Inhaber der Zertifikate auf andere Weise negativ beeinflussen können, wobei Interessenkonflikte solche Handlungen wahrscheinlicher machen können. Für eine Beschreibung potentieller Interessenkonflikte, siehe E.4.

**E. Das Angebot**

**E.2b** Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegt. Die Emission der Zertifikate ist Bestandteil der gewöhnlichen Geschäftstätigkeit der Emittentin und erfolgt ausschließlich zum Zwecke der Gewinnerzielung, was auch dem Grund des Angebotes entspricht.

**E.3** Beschreibung der Angebotskonditionen **Bedingungen des Angebots**  
 Nicht anwendbar, das Angebot unterliegt keinen Bedingungen.  
 Einzelne Emissionen von Zertifikaten werden dauerhaft angeboten (Daueremissionen, "tap issue").  
 Das Angebot der Zertifikate beginnt in [dem Angebotsland][den Angebotsländern] am [●].  
 Emissionstermin, d.h. Ausgabetermin ist der [●].

**Verkaufsbeschränkungen**

Die Zertifikate dürfen nur in den Ländern angeboten, verkauft oder geliefert werden, sofern dies gemäß den geltenden Gesetzen und sonstigen anwendbaren Rechtsvorschriften dieser Länder zulässig ist und sofern für die Emittentin keine Verpflichtungen entstehen.

Die Zertifikate sind nicht und werden nicht gemäß dem United States Securities Act von 1933 registriert und können auf den Inhaber lautende Zertifikate sein, auf die US Steuergesetze Anwendung finden.

Die Zertifikate dürfen innerhalb der Vereinigten Staaten weder direkt noch indirekt durch oder an oder für Rechnung von einer US-Person verkauft, gehandelt oder

geliefert werden.

### **Ausgabepreis sowie Kosten und Steuern beim Erwerb der Zertifikate**

[Der Ausgabepreis beträgt][Die Ausgabepreise betragen] [●].

- E.4** Beschreibung aller für die Emission/das Angebot wesentlichen Interessen, einschließlich potentieller Interessenkonflikte.
- [Nicht anwendbar; es gibt keine solchen Interessenkonflikte.]
- [Die Emittentin kann von Zeit zu Zeit in Bezug auf die Zertifikate in anderen Funktionen tätig werden, zum Beispiel als Berechnungsstelle, was es der Emittentin ermöglichen kann, den Wert des Basiswerts oder eines anderen Referenzwertes zu berechnen oder die Zusammensetzung des Basiswerts festzulegen, wodurch Interessenkonflikte entstehen können, wenn Wertpapiere oder andere Werte, die von der Emittentin selbst oder einem Konzernunternehmen ausgegeben werden, als Basiswert ausgewählt werden können oder wenn die Emittentin Geschäftsbeziehungen mit dem Emittenten oder dem Schuldner dieser Wertpapiere oder anderen Vermögenswerten hat.
- Die Emittentin kann von Zeit zu Zeit Transaktionen, die mit dem Basiswert verbunden sind, für ihre Eigenhandelskonten oder von ihr verwaltete Konten durchführen. Derartige Transaktionen können einen positiven oder negativen Effekt auf den Wert des Basiswerts oder etwaige andere Vermögenswerte haben und somit auch auf den Wert der Zertifikate.
- Die Emittentin kann weitere derivative Finanzinstrumente in Bezug auf den jeweiligen Basiswert ausgeben und die Einführung solcher mit den Zertifikaten im Wettbewerb stehender Produkte in den Markt kann sich auf den Wert der Zertifikate auswirken.
- Die Emittentin kann alle oder Teile der Erlöse aus dem Verkauf der Zertifikate verwenden, um Absicherungsgeschäfte abzuschließen, die den Wert der Zertifikate beeinflussen können.
- Die Emittentin kann nicht-öffentliche Informationen in Bezug auf den Basiswert erhalten und ist nicht verpflichtet solche Informationen an die Zertifikateinhaber weiterzugeben. Zudem kann die Emittentin Research-Berichte in Bezug auf den Basiswert publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Zertifikate auswirken.]
- [Beschreibung solcher Interessen einfügen: ●]
- E.7** Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.
- [Nicht anwendbar, da weder seitens der Emittentin noch seitens des/der Anbieter(s) keine solchen Ausgaben in Rechnung gestellt werden.]
- [Beschreibung solcher Kosten einfügen: ●]



## GERMAN TRANSLATION OF THE RISK FACTORS

*Potentielle Investoren sollten sich vor einer Anlageentscheidung im Zusammenhang mit den Zertifikaten sorgfältig mit den in diesem Abschnitt beschriebenen Risikofaktoren und sonstigen in diesem Prospekt enthaltenen Informationen vertraut machen. Potenzielle Investoren sollten zur Kenntnis nehmen, dass die nachstehend beschriebenen Risiken nicht alle die Emittentin und deren Gruppe betreffenden Risiken umfassen. Die Emittentin beschreibt in diesem Abschnitt nur die im Zusammenhang mit ihrer Geschäfts-, Ertrags- und Finanzlage und ihren Zukunftsaussichten derzeit für sie erkennbaren und von ihr als wesentlich erachteten Risiken. Zusätzliche, für die Emittentin derzeit nicht erkennbare oder von ihr nicht als wesentlich eingestufte Risiken können durchaus bestehen und jedes dieser Risiken kann die oben beschriebenen Auswirkungen haben.*

*Potentielle Investoren sollten auch die detaillierten Informationen an anderen Stellen des Prospekts lesen und ihre eigenen Berater konsultieren (einschließlich Finanz-, Steuer und Rechtsberater) und sich selbst ein Bild machen, bevor sie eine Anlageentscheidung treffen.*

*Begriffe und Ausdrücke, die in den Zertifikatsbedingungen definiert sind, haben in diesen Risikofaktoren dieselben Bedeutungen.*

### **Faktoren, die die Erfüllungsverpflichtungen der Emittentin im Zusammenhang mit den unter diesem Programm emittierten Zertifikaten beeinträchtigen können:**

*Jeder der in diesem Abschnitt behandelten Risikofaktoren kann erhebliche negative Auswirkungen auf die Geschäfts-, Ertrags- und Finanzlage der Emittentin und die Gruppe und deren Zukunftsaussichten haben, die wiederum erhebliche negative Auswirkungen auf Zahlungen an die Anleger im Zusammenhang mit den Zertifikaten haben können. Darüber hinaus kann sich jeder der nachstehend beschriebenen Risikofaktoren negativ auf den Kurswert der Zertifikate oder die Rechte der Anleger aus den Zertifikaten auswirken, wodurch für die Anleger ein Teil- oder Totalverlust ihrer Anlage eintreten kann.*

*Die Emittentin ist der Ansicht, dass die nachfolgenden Faktoren ihre Fähigkeit zur Erfüllung ihrer Verpflichtungen aus den unter dem Programm begebenen Zertifikaten beeinträchtigen kann. Die meisten dieser Faktoren sind Ungewissheiten, die eintreten können oder auch nicht und die Emittentin kann keine Angaben zur Wahrscheinlichkeit des Eintritts dieser Ungewissheiten machen.*

*Darüber hinaus bestehen auch Markt(preis)risiken in Zusammenhang mit den Zertifikaten, die nach diesem Abschnitt beschrieben sind.*

*Die Emittentin ist der Ansicht, dass die nachstehend beschriebenen Faktoren die wesentlichen Risiken im Zusammenhang mit den unter dem Programm begebenen Zertifikaten darstellen, allerdings können auch andere Faktoren, die für die Emittentin aufgrund der aktuell verfügbaren Informationen nicht erkennbar oder von ihr nicht als wesentlich eingestuft werden, die Fähigkeit der Erste Group zur Bedienung der Zahlungsverpflichtungen von Beträgen aufgrund oder im Zusammenhang mit den Zertifikaten negativ beeinflussen.*

### **Risiken in Zusammenhang mit dem Geschäft der Erste Group**

**Die schwierigen volkswirtschaftlichen Bedingungen und die Bedingungen am Finanzmarkt können erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit, die Finanz- und Ertragslage sowie die Zukunftsaussichten der Erste Group haben.**

Vom zweiten Halbjahr 2007 bis 2009 schufen Turbulenzen an den globalen Kapital- und Kreditmärkten verbunden mit einer Neubewertung von Kreditrisiken schwierige Bedingungen an den Finanzmärkten, die bis heute weiter bestehen. Diese Bedingungen führten zu



historisch hohen Volatilitätsniveaus an vielen Märkten (einschließlich der Kapitalmärkte), volatilen Rohstoffpreisen, verringerter oder fehlender Liquidität, der Erhöhung der Kreditaufschläge und mangelnder Preistransparenz in bestimmten Märkten. Diese Bedingungen reduzierten auch die Verfügbarkeit von Privatfinanzierungen für Finanzinstitute und deren Kunden deutlich, was viele Finanzinstitute und Industrieunternehmen zwang, sich an Regierungen und Zentralbanken zu wenden, um Liquidität zu erhalten. Neben anderen Faktoren haben erhebliche Abschreibungen von hypothekarisch besicherten Wertpapieren und anderen Finanzinstrumenten durch Kreditinstitute gemeinsam mit der Einführung höherer Eigenmittelquoten und anderer aufsichtsrechtlicher Anforderungen viele Finanzinstitute dazu veranlasst, zusätzliches Kapital aufzunehmen, zu verschmelzen oder mit größeren und finanzkräftigeren Einrichtungen verschmolzen zu werden, verstaatlicht zu werden und in einigen Fällen wurden Kreditinstitute insolvent. Trotz einer leichten Erholung der Weltwirtschaft 2013, führten umfassende Bedenken hinsichtlich des Staatsschuldenniveaus auf der ganzen Welt und der Stabilität zahlreicher Banken in bestimmten europäischen Ländern, insbesondere Portugal, Italien, Irland, Griechenland und Spanien und jüngst in Slowenien und Zypern zu negativen volkswirtschaftlichen Auswirkungen.

Als Reaktion auf die globale Finanzkrise, haben die Regierung der Vereinigten Staaten von Amerika, eine Reihe von europäischen Regierungen, die Europäische Zentralbank ("**EZB**") und internationale Finanzorganisationen weltweit beispiellose Schritte zur Stabilisierung des Finanzsystems und der Kreditvergabe unternommen. Die tatsächlichen Auswirkungen dieser Maßnahmen auf Finanzmärkte, auf das allgemeine Vertrauen privater und unternehmerischer Kunden im Allgemeinen und auf die Erste Group im Besonderen sind ungewiss. Seit dem zweiten Halbjahr 2010 hat die Verschuldung bestimmter Länder der Eurozone die Bedenken an der Stabilität des europäischen Finanzsektors erhöht; dies hat bereits zu einem Rückgang des Wirtschaftswachstums in vielen Ländern dieser Zone beigetragen und könnte weiter dazu beitragen. Darüber hinaus können Restrukturierungsprogramme, die von einigen hoch verschuldeten Ländern der Europäischen Union ("**EU**") verabschiedet wurden und Kürzungen staatlicher Ausgaben vorsehen, kurz- und mittelfristig zu geringeren Wachstumsraten in diesen Ländern und der Eurozone führen. Im Jahr 2011 erhöhte sich die Sorge über die Situation der Eurozone, und Ländern der Eurozone und Banken wurden durch Ratingagenturen Ende 2011 und Anfang 2012 herabgestuft. Diese Befürchtungen hielten im Jahr 2012 aufgrund der notwendigen Rekapitalisierung des spanischen Bankensektors und wachsender Bedenken hinsichtlich der Wirksamkeit und der Folgen der Restrukturierungsprogramme bestimmter Länder der Eurozone sowie der Ungewissheit über die Erforderlichkeit weiterer finanzieller Beihilfen für bestimmte Länder der Eurozone oder den Bankensektor der Eurozone an. Anfang 2013 beeinträchtigte die Krise in Zypern die Finanzmärkte, jedoch verhinderten die wirtschaftlichen und strukturellen Fortschritte in den anderen Ländern der Eurozone eine nachhaltige Wirkung.

Seit September 2012 kam es zu einer Zunahme der weltweiten Interventionen von Zentralbanken zur Verhinderung einer weiteren Verschlechterung des Wirtschaftswachstums und als Reaktion auf Bedenken über die Auswirkungen der europäischen Staatsschuldenkrise. Die EZB veröffentlichte einen Plan zum unbegrenzten Kauf von Staatsanleihen notleidender Länder wie Spanien und Italien teilweise im Austausch gegen die Annahme formeller Sparpakete. Die Auswirkungen dieser und anderer Maßnahmen in der Zukunft sind ungewiss; sie können den erwarteten Nutzen für die jeweiligen Volkswirtschaften erreichen oder auch nicht. Die sog. "Outright Monetary Transactions" der EZB trugen zur Stabilisierung in all diesen Ländern der Eurozone bei, allerdings sind die Langzeitauswirkungen ungewiss. Im Jahr 2014 begann die Federal Reserve als Zentralbank der Vereinigten Staaten von Amerika, ihren Ankauf von Wirtschaftsgütern mit potentiell unvorhersehbaren, direkten und indirekten Auswirkungen auf Zinssätze, Marktliquidität, Devisen und die Weltwirtschaft zu reduzieren.

Die Entwicklung der Erste Group wird weiterhin vom Zustand der globalen und insbesondere der europäischen Wirtschaft beeinflusst werden. Die kurz- bis mittelfristigen Aussichten für die Weltwirtschaft bleiben herausfordernd, was auch Auswirkungen auf die Aussichten für die Stabilisierung und Verbesserung der wirtschaftlichen und finanziellen Lage in Zentral- und Osteuropa ("**CEE**") hat. Zusätzlich könnte das Risiko von Verlusten aufgrund einer Änderung der Finanzierungskosten oder -spanne der Erste Group für einen gewissen Zeitraum und ein gewisses Konfidenzniveau entstehen.

**Die Erste Group wurde und kann weiterhin von der anhaltenden europäischen Staatsschuldenkrise beeinflusst und zu Abschreibungen von Staatsanleihen einiger Länder gezwungen werden.**

In den letzten Jahren standen die Märkte für Staatsanleihen in der Eurozone unter erheblichem Druck, weil die Finanzmärkte begonnen haben, bei einer Reihe von Ländern erhöhtes Kreditrisiko wahrzunehmen. Diese Bedenken, die den Aufschwung nach der globalen Finanz- und Wirtschaftskrise bedrohten, gab es insbesondere in Bezug auf Portugal, Italien, Irland, Griechenland und Spanien und jüngst Zypern, Slowenien und Ukraine. Angesichts der zunehmenden öffentlichen Schuldenbelastungen und stagnierendem Wirtschaftswachstum in diesen und anderen europäischen Ländern innerhalb und außerhalb der Eurozone, einschließlich der Länder Zentral- und Osteuropas, bestehen diese Bedenken weiterhin. Trotz einer Reihe von Maßnahmen europäischer Regierungen, der EZB und europäischer Aufsichtsbehörden zur Kontrolle und Verringerung der negativen Auswirkungen der Krise wurde die Wirtschaftslage im Allgemeinen und die Finanzmärkte im Besonderen geschwächt, da sich die mit der Staatsschuldenkrise einhergehende Unsicherheit und die Bemühungen der EU, die Krise zu lösen weiter verstärkten.

Die Auswirkungen der Staatsschuldenkrise haben insbesondere auf den Finanzsektor erhebliche Auswirkungen gehabt, da ein Großteil der Staatsschuld von Ländern der Eurozone von Finanzinstituten, einschließlich der Erste Group, gehalten werden. Bedenken über die Fähigkeit zur Bewältigung des Verschuldungsgrades in stark verschuldeten Ländern innerhalb der Eurozone könnten sich verstärken und Verhandlungen über die Restrukturierung von Staatsschulden ähnlich wie die bei Griechenland könnten auch im Zusammenhang mit Staatsschulden von anderen betroffenen Ländern stattfinden, und die Ergebnisse solcher Diskussionen mit Hinblick auf die Änderung von Bedingungen (einschließlich die Reduktion des Nennbetrages oder die Verlängerung der Fälligkeit) solcher Staatsanleihen können zu zusätzlichen Abschreibungen der Erste Group führen. Solche Diskussionen unterliegen sehr wahrscheinlich politischem und wirtschaftlichem Druck und liegen ausserhalb des Einflussbereichs der Erste Group.

Die Erste Group ist auch dem Kreditrisiko von Finanzinstituten ausgesetzt, die von staatlicher Unterstützung abhängig sein können. Die Verfügbarkeit öffentlicher Mittel und die Bereitschaft von Regierungen zu solchen Unterstützungen sind angesichts der aktuellen Staatsverschuldung in bestimmten Ländern der Eurozone und der bevorstehenden Regulierungen mit dem expliziten Ziel, öffentliche Unterstützung zu reduzieren, unklar. Darüber hinaus könnten Sicherungsinstrumente wie Credit Default Swaps wirkungslos sein, wenn eine Sanierung ausständiger Staatsschulden Kreditereignisse, die Zahlungen aus solchen Instrumenten auslösen würden, verhindert oder wenn die Beträge, die letztendlich für solche Instrumente bezahlt werden, nicht dem vollen Betrag des Nettoexposures entsprechen. Jede Restrukturierung von Staatsschulden kann zu Verlusten für die Erste Group und andere Teilnehmer an Transaktionen, die nicht durch Absicherungsgeschäfte gedeckt sind, führen.

**Die Erste Group hat und könnte in Zukunft auch weiterhin eine Verschlechterung der Bonität, insbesondere aufgrund von Finanzkrisen oder Konjunkturschwächen erfahren.**

Die Erste Group ist dem Risiko ausgesetzt, dass Kreditnehmer ihre Kredite nicht gemäß der vertraglichen Bedingungen zurückzahlen, dass die Sicherheiten oder Zahlungsströme zur Besicherung der Rückzahlung dieser Kredite, unzureichend sind oder dass gesetzlich fixe Wechselkurse für Kredite in Fremdwährung festgelegt werden. Im Jahr 2011 verschlechterte sich die Qualität eines wachsenden Anteils dieser Forderungen aufgrund des ungünstigen wirtschaftlichen Umfeldes und ein wesentlicher Teil dieser Forderungen, insbesondere in Rumänien, Ungarn und Kroatien, verschlechterte sich; dies betrifft vor allem private Fremdwährungskredite. Wenn der Wert lokaler Währungen gegenüber den ausländischen Währungen, auf die solche Kredite lauten, sinkt, wie dies in manchen Ländern Zentral- und Osteuropas während des Wirtschaftsabschwungs passiert ist, so können die effektiven Kosten des auf Fremdwährung lautenden Kredites für den lokalen Kunden erheblich steigen, was zu Zahlungsausfällen bei Privatkrediten, zur Abstufung von zuvor hoch bewerteten

Kreditin in niedriger bewertete Kategorien und schließlich zum Anstieg notleidender Kredite und Abschreibungen führen kann.

Viele dieser Kredite sind durch Tilgungsträger besicherte endfällige Verbraucherkredite. Nachteilige Änderungen des Marktwertes solcher Tilgungsträger zur Kapitalaufbringung für die endfällige Rückzahlung und Fremdwährungsrisiken, die bei auf Fremdwährung lautenden Tilgungsträgern bestehen, können die Situation solcher durch Tilgungsträger besicherte Kredite nachteilig verändern und das Ausfallsrisiko der betreffenden Kreditnehmer erhöhen.

Eine Verschlechterung der Bonität der Erste Group und der Anstieg von notleidenden Krediten können zur Erhöhung der Kosten für die Risikovorsorge der Erste Group führen. Die Kosten für die Risikovorsorge der Erste Group basieren unter anderem auf einer Analyse aktueller und historischer Wahrscheinlichkeiten eines Ausfalles, Methoden des Kreditmanagements und der Bewertung von zugrundeliegenden Vermögenswerten und dem erwarteten verfügbaren Einkommen von Kunden sowie auf anderen Annahmen des Managements. Die Analysen und Annahmen durch die Erste Group könnten sich als unzureichend erweisen und zu einer fehlerhaften Einschätzung der Kreditleistung führen.

Die Erste Group hält in ihrer Bilanz Vorsorgen zur Abdeckung der erwarteten möglichen Verluste in ihrem Kreditportfolio vor. Gemäß IFRS sorgt die Erste Group für Ausfälle von Kunden durch Risikovorsorgen vor, die sowohl spezifische Risikovorsorgen für Kredite (für die objektive Nachweise mangelnder Werthaltigkeit bestehen) als auch Portfolio Risikovorsorgen (für die keine objektive Nachweise mangelnder Werthaltigkeit bestehen – entstanden, aber noch nicht identifiziert) umfassen. Diese Vorsorgen spiegeln die Einschätzung der Erste Group über Verluste in ihrem Kreditportfolio wider. Falls eine höherer Anteil der Kunden der Erste Group ausfällt als erwartet oder falls der durchschnittliche Verlust aus solchen Ausfällen höher ist, als erwartet oder falls Firmenkunden unerwartet ausfallen, würden die tatsächlichen Verluste aus Kundenausfällen die Beträge der Risikovorsorgen übersteigen; dies würde das Betriebsergebnis der Erste Group negativ beeinträchtigen.

Neben einem Gesamtanstieg der Risikokosten auf Gruppenebene im Jahr 2011, führte in bestimmten CEE Ländern der Anstieg an notleidenden Krediten und der Anstieg erforderlicher Abschreibungen zu sinkenden Deckungsquoten für notleidende Kredite (die Quote der Risikovorsorgen für Kredite und Ausleihungen an Kunden in der Bilanz der Erste Group als prozentueller Anteil an den gesamten Krediten und Ausleihungen an Kunden – die **"NPL Deckungsquote"**). Während die Risikokosten auf Gruppenebene im Jahr 2012 grundsätzlich sanken, stiegen die Risikovorsorgen für Kredite und Ausleihungen an Kunden in Rumänien und Kroatien als Ergebnis einer höheren Quote notleidender Kredite (das Verhältnis der notleidenden Kredite und Ausleihungen an Kunden als prozentueller Anteil an den gesamten Krediten und Ausleihungen an Kunden) aus der Kreditvergabe an große Firmenkunden und Immobilienfinanzierungen und damit auf Ebene der Erste Group Bank. Dieser Trend konnte im Jahr 2013 weiter beobachtet werden, wobei sich einerseits die Risikokosten auf Gruppenebene verringerten, andererseits NPL und NPL Deckungsquote gegenüber 2012 leicht verringerten. Die Erste Group versucht eine NPL Deckungsquote zu halten, die nach Ansicht des Managements der Erste Group angemessen ist, um mögliche Verluste aus Kredite abzudecken. Es kann aber keine Gewissheit dafür geben, dass die aktuelle NPL Deckungsquote in Zukunft nicht sinkt, die jährlichen Kosten nicht steigen oder sich die NPL Deckungsquote als unzureichend erweist.

In bestimmten Ländern, in denen die Erste Group tätig ist, kann es zu einer weiteren Verschlechterung der Bonität kommen, wenn die wirtschaftliche Lage schwierig bleibt oder die Besserung des Wirtschaftsklimas nur vorübergehend ist. Weiters könnten unerwartete politische Ereignisse oder ein anhaltender Mangel an Liquidität in bestimmten Volkswirtschaften Zentral- und Osteuropas zu Kreditausfällen führen, die die Rückstellungen der Erste Group übersteigen.

Jeder der oben genannten Faktoren hatte in der Vergangenheit und könnte in Zukunft wesentliche nachteilige Auswirkungen auf das Betriebsergebnis, die Finanzlage und die Kapitalausstattung der Erste Group haben.

### **Die Erste Group unterliegt erheblichem Kreditrisiko, und Ausfälle von Gegenparteien können zu Verlusten führen, die die Rückstellungen der Erste Group übersteigen.**

In ihrer üblichen Geschäftstätigkeit ist die Erste Group dem Risiko ausgesetzt, dass Dritte, die ihr Geld, Wertpapiere oder andere Vermögenswerte schulden, ihren Verpflichtungen nicht nachkommen. Die Erste Group ist daher dem Risiko von Gegenparteiausfällen, die in der Vergangenheit in Zeiten wirtschaftlichen Abschwungs höher waren, ausgesetzt

In ihrer üblichen Geschäftstätigkeit ist die Erste Group dem Risiko der Nichterfüllung von Gegenparteien in der Finanzdienstleistungsbranche ausgesetzt. Dieses Risiko kann durch Handel, Kreditvergabe, Einlagengeschäft, Clearingvorgänge, Abwicklung und viele andere Aktivitäten und Beziehungen zu Gegenparteien entstehen. Diese Gegenparteien können Makler und Händler, Wertpapierverwahrer, Geschäftsbanken, Investmentbanken, Anlage- und Hedgefonds und andere institutionelle Kunden sein. Viele dieser Beziehungen setzen die Erste Group dem Kreditrisiko im Falle des Ausfalls einer Gegenpartei aus. Weiters kann sich das Kreditrisiko der Erste Group erhöhen, wenn die von ihr gehaltenen Sicherheiten nicht oder nicht zu einem Preis, der die Verluste aus den Krediten oder das Derivate Exposure abdeckt, realisiert werden können. Viele der von der Erste Group angewendeten Hedging- und anderen Risikomanagementstrategien umfassen Transaktionen mit Gegenparteien aus dem Finanzdienstleistungsbereich. Eine Zahlungsschwäche oder Insolvenz dieser Gegenparteien könnte die Wirksamkeit der Hedging- und anderen Risikomanagementstrategien der Erste Group beeinträchtigen. Wenn ihre Gegenparteien ihren Pflichten nicht nachkommen, erleidet die Erste Group Verluste. Wenn ein höherer, als der von der Erste Group angenommene, Anteil der Kunden der Erste Group ausfällt oder wenn die durchschnittliche Höhe der Verluste aus solchen Ausfällen höher als erwartet ist, würden die tatsächlichen Verluste aus Gegenparteiausfällen die Höhe der Risikovorsorgen übersteigen und das Betriebsergebnis der Emittentin negativ beeinträchtigt. Wenn Verluste aufgrund eines Ausfalls einer Gegenpartei die Rückstellungen der Erste Group deutlich übersteigen oder eine Erhöhung der Rückstellungen erforderlich machen, könnte dies erhebliche negative Auswirkungen auf die Geschäfts-, die Finanz- und die Ertragslage der Erste Group sowie ihrer Betriebsergebnisse haben.

Aufgrund der Volatilität der Finanzmärkte ist das Gegenparteirisiko zwischen Finanzinstituten ist in den vergangenen Jahren gestiegen. Bedenken über mögliche Ausfälle eines Finanzinstituts können zu erheblichen Liquiditätsproblemen, Verlusten oder Ausfällen anderer Finanzinstitute führen, weil die kommerzielle und finanzielle Kreditwürdigkeit vieler Finanzinstitute aufgrund von Kredit-, Handels- und anderen Beziehungen in Wechselbeziehung steht. Selbst ein nur angenommener Mangel an Kreditwürdigkeit kann zu marktweiten Liquiditätsproblemen führen. Dieses Risiko wird als "systemisches Risiko" bezeichnet und betrifft Banken und alle anderen Arten von Intermediären im Finanzdienstleistungssektor. Das systemische Risiko könnte sowohl bei der Erste Group als auch bei anderen Banken in den Märkten, in denen die Erste Group tätig ist, zu einem höheren Eigenmittelerfordernis bei gleichzeitiger Erschwerung der Aufnahme von Eigenmitteln führen. Das systemische Risiko könnte daher erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanzlage, das Betriebsergebnis, die Liquidität und die Zukunftsaussichten der Erste Group haben.

### **Die Absicherungsstrategien der Erste Group könnten sich als unwirksam erweisen.**

Die Erste Group verwendet eine Reihe von Instrumenten und Strategien zur Absicherung von Risiken. Unvorhersehbare Marktentwicklungen können wesentliche Auswirkungen auf die Wirksamkeit der Absicherungsmaßnahmen haben. Instrumente zur Absicherung von Zins- und Währungsrisiken können zu Verlusten führen, wenn die dem Finanzinstrument unterliegenden Basiswerte verkauft werden oder Wertanpassungen vorgenommen werden müssen. Gewinne und Verluste aus unwirksamen Absicherungsmaßnahmen können die Volatilität der Geschäftsergebnisse der Erste Group erhöhen, die erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanzlage und das Betriebsergebnis der Erste Group haben können.

**Die Erste Group ist sinkenden Werten der Sicherheiten für Geschäftskredite und private Immobilienkredite ausgesetzt.**

Die Erste Group ist wesentlichen Risiken bei Geschäftskrediten und privaten Immobilienkrediten ausgesetzt. Die Preise für Gewerbe- und Wohnimmobilien sind in vielen Ländern, in denen die Erste Group tätig ist in den vergangenen Jahren gesunken, was die wirtschaftliche Ungewissheit widerspiegelt. Die Entwickler von Gewerbe- und Wohnimmobilien waren wegen mangelnder Nachfrage oder sinkender Werte der Sicherheiten für diese Projekte gezwungen, die Errichtung geplanter Gebäude einzustellen oder zu verschieben. Dies führte zu sinkenden Preisen von Gewerbe- und Wohnimmobilien und einem Abschwung in den Märkten für Wohnbaufinanzierung und Geschäftskredite in vielen Ländern. Das Kreditportfolio der Erste Group hinsichtlich gewerblicher und privater Immobilien kann weitere Wertminderungen erleiden, wenn die Immobilienwerte in der Zukunft weiter sinken, Sicherheiten nicht verwertet werden können, oder sich die Sicherheiten aufgrund von Schwächen in der Sicherheitenverwaltung bei der Erste Group als unzureichend erweisen. Steigende Arbeitslosigkeit könnte auch zu höheren Ausfallsraten und Wertverlusten bei nicht immobilienbesicherten Geschäfts- und Privatkrediten führen. Wenn eines dieser Risiken eintritt, könnte dies erhebliche negative Auswirkungen auf die Finanz- und Ertragslage der Erste Group haben.

**Marktschwankungen und Volatilität können sich negativ auf den Wert der Vermögenswerte der Erste Group auswirken, Rentabilität reduzieren und es schwieriger machen, den Fair Value bestimmter Vermögenswerte festzustellen.**

Die Finanzmärkte unterliegen seit Mitte 2007 erheblichen Stressbedingungen. Hohe Abwertungen vermeintlicher oder tatsächlicher Werte von Vermögensposten, die von Banken und anderen Finanzinstituten gehalten werden, werden von einer starken Verringerung der Marktliquidität begleitet. Diese Ereignisse haben den Wert der zur Veräußerung verfügbaren finanziellen Vermögenswerte und der bis zur Endfälligkeit gehaltenen finanziellen Vermögenswerte insbesondere im Jahr 2011 negativ beeinflusst und damit das Geschäftsergebnis der Erste Group in diesem Zeitraum beeinträchtigt. Künftige Verschlechterungen der wirtschaftlichen Bedingungen und jener an den Finanzmärkten könnte zu weiteren Sonderabschreibungen oder Bewertungsverlusten in künftigen Perioden führen. Trotz der Verbesserung der wirtschaftlichen Bedingungen und jener an den Finanzmärkten in den Jahren 2012 und 2013, könnte der Wert von Finanzanlagen in den meisten der Märkte, in denen die Erste Group tätig ist weiterhin erheblich schwanken und sich wesentlich auf das Eigenkapital und das Konzernergebnis der Erste Group auswirken, wenn der Fair Value von finanziellen Vermögenswerten fällt.

Marktvolatilität und Illiquidität können die Neubewertung bestimmter Risikopositionen erschweren und der von der Erste Group tatsächlich realisierte Wert kann vom bisherigen bzw. geschätzten Fair Value erheblich abweichen. Darüber hinaus können sich die von der Erste Group angenommenen Schätzungen des Fair Value erheblich von ähnlichen Schätzungen anderer Finanzinstitute und von Werten, die bei verfügbaren Märkten verwendet werden, abweichen. Jeder dieser Faktoren könnte bei der Erste Group zu weiteren Neubewertungsverlusten oder Abschreibungen führen, was sich nachteilig auf die Geschäftstätigkeit, die Finanz-, die Ertragslage, die Liquidität oder die Zukunftsaussichten der Erste Group auswirken würde.

**Die Erste Group unterliegt dem Risiko, dass Liquidität nicht ohne weiteres zur Verfügung steht.**

Die Erste Group ist, wie viele andere Banken, bei ihrer Refinanzierung von Kundeneinlagen abhängig. Die Mehrheit der Einlagen der Erste Group sind Einlagen von Privatkunden, wovon wiederum ein erheblicher Teil Sichteinlagen sind. Solche Einlagen unterliegen Schwankungen, die von der Erste Group nicht beeinflusst werden können, und die Erste Group kann nicht garantieren, dass es nicht zu einem beträchtlichen Abfluss von Einlagen innerhalb eines kurzen Zeitraumes kommen kann. Da ein erheblicher Teil der Finanzierung der Erste Group von ihrem Einlagenstock kommt, könnte jeder wesentliche Rückgang der Einlagen einen negativen Einfluss auf die Liquidität der Erste Group haben, es sei denn,

entsprechende Maßnahmen würden ergriffen, um das Liquiditätsprofil anderer Einlagen zu verbessern oder um liquide Mittel zu reduzieren, was - wenn überhaupt - zu wirtschaftlich vorteilhaften Bedingungen nicht möglich ist.

Als Kreditgeber unterliegen Konzerngesellschaften der Erste Group dem Marktliquiditätsrisiko, das sich aus der Unmöglichkeit des einfachen Verkaufs von Vermögenswerten aufgrund unzureichender Marktliquidität oder Marktstörungen ergibt. Sie unterliegen auch dem Refinanzierungsliquiditätsrisiko, das eine Belastung durch Verluste darstellt, die aus einer Änderung der Refinanzierungskosten, aus einem Risikoaufschlag für eine bestimmte statistische Wahrscheinlichkeit während eines bestimmten Zeitraums oder aus der Insolvenz von Gegenparteien, die zu Schwierigkeiten bei der vollständigen oder pünktlichen oder wirtschaftlich sinnvollen Erfüllung zukünftiger Zahlungsverpflichtungen führen können, entstehen.

An den weltweiten Kredit- und Geldmärkten hat sich die Zurückhaltung der Banken bei den wechselseitigen Kreditvergaben aufgrund der Unsicherheiten hinsichtlich der Kreditwürdigkeit der kreditaufnehmenden Bank gezeigt und dies wird weiter so bleiben. Selbst eine Vermutung von Marktteilnehmern, dass ein Finanzinstitut einem höheren Liquiditätsrisiko unterliegt, kann dem Institut erhebliche Schäden zufügen, da potenzielle Kreditgeber zusätzliche Sicherheiten oder andere Maßnahmen fordern, die zu einer weiteren Reduzierung der Fähigkeit des Finanzinstituts zur Absicherung seines Refinanzierungsbedarfs führen. Dieser Anstieg des Gegenparteierrisikos führte zu weiteren Beschränkungen der Erste Group und anderer Banken bei der Nutzung traditioneller Liquiditätsquellen; diese Situation kann durch weitere regulatorische Beschränkungen der Kapitalstrukturen und der Berechnung von Eigenmittelerfordernissen erschwert werden.

Wenn die Erste Group Schwierigkeiten hat, angemessene Quellen für kurz- und langfristige Liquidität zu sichern, oder wenn wesentliche Abflüsse von Einlagen entstehen, hätte dies erhebliche negative Auswirkungen auf ihre Geschäftstätigkeit, ihre Finanzlage und ihr Betriebsergebnis.

**Ratingagenturen können ein Rating der Erste Group Bank oder eines Landes, in dem die Erste Group tätig ist, aussetzen, herabstufen oder zurückziehen, was sich negativ auf die Refinanzierungsbedingungen der Erste Group Bank, insbesondere auf den Zugang zu den Fremdkapitalmärkten, auswirken kann.**

Die Kreditratings der Erste Bank Group sind für ihr Geschäft wesentlich. Ein Rating stellt eine Einschätzung der Bonität eines Emittenten durch eine Ratingagentur, dh eine Prognose oder einen Indikator für einen möglichen Kreditausfall aufgrund von Insolvenz, Zahlungsverzug oder unvollständiger Zahlung an die Investoren, dar. Ein Rating ist keine Empfehlung zum Kauf, Verkauf oder Halten von Wertpapieren. Solche Ratings wurden von Ratingagenturen abgegeben, die in der Europäischen Union ansässig sind und nach den Vorschriften der Verordnung (EG) Nr 1060/2009 des Europäischen Parlaments und des Rates vom 16.9.2009 zugelassen sind. Die Ratings für langfristige Finanzverbindlichkeiten der Erste Group lauten: Standard & Poor's, A- (Ausblick negativ); Moody's, Baa2 (Ausblick negativ); und Fitch, A (Ausblick negativ).

Eine Ratingagentur kann ein Rating insbesondere aussetzen, herabstufen oder zurückziehen. Ein Rating kann auch ausgesetzt oder zurückgezogen werden, wenn die Erste Group den Vertrag mit der maßgeblichen Ratingagentur kündigt oder feststellt, dass es nicht mehr in ihrem Interesse ist, der Ratingagentur weiterhin Finanzdaten zu liefern. Eine Herabstufung des Ratings kann zu einer Beschränkung des Zugangs zu Geldmitteln und damit zu höheren Refinanzierungskosten führen. Ein Rating könnte auch durch die Bonität oder vermeintliche Bonität anderer Finanzinstitute negativ betroffen sein.

Eine Ratingagentur kann auch ein Rating hinsichtlich eines oder mehrerer Länder, in denen die Erste Group tätig ist, aussetzen, herabstufen oder zurückziehen oder ungünstige Berichte oder Perspektiven für eine Region oder ein Land, in dem die Erste Group tätig ist, veröffentlichen. Außerdem kann eine Aussetzung, Herabstufung oder Zurückziehung eines Ratings oder ungünstige Berichte oder eine Veröffentlichung ungünstiger Ausblicke auf Österreich durch eine Ratingagentur die Finanzierungskosten der Erste Group erhöhen.

Eine Herabstufung des Kreditratings der Erste Group Bank, eines Mitglieds der Erste Group, der Republik Österreich oder eines anderen für die Erste Group wesentlichen Landes, könnte erhebliche nachteilige Auswirkungen auf die Liquidität und Wettbewerbsposition der Erste Group Bank haben, könnte das Vertrauen in die Erste Group untergraben, ihre Refinanzierungskosten erhöhen, den Zugang zu Refinanzierungs- und Kapitalmärkten oder das Spektrum der Gegenparteien, Transaktionen mit Erste Group einzugehen, beschränken und folglich wesentliche nachteilige Auswirkungen auf ihr Geschäft, ihre Finanzlage und ihr Geschäftsergebnis haben.

**Neue staatliche oder aufsichtsrechtliche Anforderungen und Änderungen von Eigenkapitalquoten und des Verschuldungsgrades könnten die Erste Group erhöhten Eigenkapitalanforderungen oder Standards unterwerfen und die Aufbringung von zusätzlichem Kapital oder zusätzliche Liquidität in Zukunft erforderlich machen.**

Als Reaktion auf die jüngste globale Finanzkrise und die anhaltende Staatsschuldenkrise in Europa, wurden eine Reihe von Initiativen in Bezug auf die regulatorischen Anforderungen für europäische Banken, darunter die Erste Group, verabschiedet oder sind im Entstehen. Dazu zählen die folgenden:

- *Basel III und CRD IV/CRR.* Im Dezember 2010 veröffentlichte der Basler Ausschuss für Bankenaufsicht (BCBS) seine endgültigen Standards bezüglich der als Basel III bekannten überarbeiteten Eigenkapitaladäquanzvorschriften, die die Definition von Eigenkapital verschärfen und die Banken, über die Mindesteigenmittel hinaus, zum Halten von Kapitalpuffern verpflichten. Am 27.6. 2013 wurden die Richtlinie 2013/36/EU des Europäischen Parlaments und des Rates vom 26. Juni 2013 über den Zugang zur Tätigkeit von Kreditinstituten und die Beaufsichtigung von Kreditinstituten und Wertpapierfirmen, zur Änderung der Richtlinie 2002/87/EG und zur Aufhebung der Richtlinien 2006/48/EG und 2006/49/EG (*Capital Requirements Directive IV - "CRD IV"*) und der Verordnung (EU) Nr. 575/2013 des Europäischen Parlaments und des Rates vom 26. Juni 2013 über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen und zur Änderung der Verordnung (EU) Nr. 648/2012 (*Capital Requirements Regulation - "CRR"*) zur Umsetzung von Basel III in EU-Recht veröffentlicht.

Basel III und CRD IV/CRR erhöhen weiter die Qualität und Quantität von erforderlichem regulatorischem Kapital (Eigenmittel) und die Mindesteigenmittel für derivative Positionen führen neue Liquiditätsvorschriften sowie eine Leverage Ratio ein.

Die CRR (eine EU-Verordnung, die in den EU-Mitgliedsstaaten ohne nationale Umsetzung unmittelbar anwendbar ist) sowie das österreichische Bundesgesetz zur Umsetzung der CRD IV in österreichisches Recht, welches insbesondere Änderungen des BWG beinhaltet, traten am 01.01.2014 in Kraft.

- *EU-weiter Stresstest der Europäischen Bankenaufsichtsbehörde 2014.* Um das ordnungsgemäße Funktionieren und die Integrität der Finanzmärkte sowie die Stabilität des Finanzsystems in der EU zu gewährleisten, die Entwicklungen an den Märkten zu verfolgen und zu analysieren und auch um Trends, potentielle Risiken und Schwachstellen resultierend aus der Mikroebene zu überprüfen, führt die EBA regelmäßig EU-weite Stresstests mittels einheitlicher Methodologien, Szenarien und Schlüsselannahmen durch, die in Zusammenarbeit mit dem Europäischen Ausschuss für Systemrisiken (*European Systemic Risk Board - "ESRB"*) der EZB und der Europäischen Kommission entwickelt wurden.

Am 31.01.2014 gab die EBA die wichtigsten Komponenten des bevorstehenden EU-weiten Stresstests 2014 ("**2014 EU-weite Stresstests**") bekannt, der in Zusammenarbeit mit der EZB erstellt wurde und in Vorbereitung des sog einheitlichen Aufsichtsmechanismus (*Single Supervisory Mechanism - SSM*) eine umfassende Bewertung durchführt wird (siehe dazu unten). Der 2014 EU-weite Stresstest soll Aufsichtsbehörden, Marktteilnehmern und Institutionen einheitliche Daten zur Verfügung stellen, um die Belastbarkeit der europäischen Banken unter widrigen

Marktbedingungen gegenüberzustellen und vergleichen zu können. Zu diesem Zweck wird die EBA den zuständigen Aufsichtsbehörden eine einheitliche und vergleichbare Methodik bereitstellen, die ihnen die Durchführung einer eingehenden Beurteilung der Belastbarkeit der Kreditinstitute unter Stress ermöglichen wird. Der 2014 EU-weite Stresstest wird bei 124 ausgewählten europäischen Kreditinstituten, die zumindest 50% des jeweiligen nationalen Bankensektors ausmachen, und auf höchster Konsolidierungsebene durchgeführt werden. Im Falle der Erste Group wird der Stress Test nicht nur auf höchster Konsolidierungsebene (dh auf Ebene der Erste Group Bank) sondern auch auf Teilkonsolidierungsebene der Slovenská sporiteľňa durchgeführt. Angesichts seiner besonderen Ziele wird der EU-weite Stresstest 2014 unter der Annahme einer statischen Bilanz durchgeführt, die während des gesamten Zeithorizonts der Durchführung des Stresstests kein neues Wachstum und sowohl eine gleichbleibende Geschäftszusammensetzung als auch ein gleichbleibendes -modell impliziert. Die Belastbarkeit der EU-Kreditinstitute wird während eines Zeitraums von drei Jahren (2014 bis 2016) überprüft werden. Die Kreditinstitute werden eine Reihe Risiken bewerten müssen, darunter: Kreditrisiko, Länderrisiko sowie Verbriefungen und Finanzierungskosten. Sowohl Handelsaktiva als auch Aktiva des Bankbuchs einschließlich außerbilanzmäßiger Risiken unterliegen der Belastbarkeitsprüfung. Über dieses Set einheitlicher Risiken hinaus können die zuständigen Behörden auch zusätzliche Risiken und länderspezifische Sensitivitäten miteinbeziehen, jedoch sollten die veröffentlichten Ergebnisse ein Verständnis der Auswirkungen der einheitlichen Risiken, wenn diese isoliert betrachtet werden, ermöglichen. Hinsichtlich der Kapitalgrenzen werden 8% des harten Kernkapitals (*Common Equity Tier 1* – "**CET 1**") als Grenze für das Basisszenario und 5,5% CET 1 für das nachteilige Szenario angenommen. Die zuständigen Behörden können höhere Grenzwerte festlegen und müssen sich ausdrücklich dazu verpflichten, spezifische Maßnahmen auf Basis dieser höheren Anforderungen zu treffen. Die Methodik und das Szenario wurden am 29.04.2014 veröffentlicht. Die Einzelergebnisse der Kreditinstitute sollen Ende Oktober 2014 veröffentlicht werden.

- *Umfassende Bewertung durch EZB vor Übernahme der Aufsichtsfunktion.* In einer Pressemitteilung vom 23.10.2013 hat die EZB Einzelheiten der umfassenden Bewertung bekannt gegeben, die sie als vorbereitende Maßnahme vor Übernahme der vollen Verantwortung für die Aufsicht im Rahmen des einheitlichen Aufsichtsmechanismus durchführt. Zudem wurde eine Liste jener Kreditinstitute veröffentlicht, die Gegenstand der Bewertung sind. Die EZB erachtet die Bewertung als eine wichtige Etappe bei der Vorbereitung des einheitlichen Aufsichtsmechanismus und generell als einen Schritt hin zu mehr Transparenz bei den Bankbilanzen und zu einer einheitlicheren Vorgehensweise in der Aufsichtspraxis in Europa. Die Bewertung, die zwölf Monate in Anspruch nehmen soll, wurde im November 2013 aufgenommen. Daher werden erste Ergebnisse frühestens im 4. Quartal 2014 erwartet. Sie wird gemeinsam mit den zuständigen nationalen Aufsichtsbehörden jener EU-Mitgliedstaaten durchgeführt, die am einheitlichen Aufsichtsmechanismus teilnehmen, und durch unabhängige Dritte auf allen Ebenen der EZB und der nationalen Aufsichtsbehörden unterstützt. Die Bewertung beinhaltet vor allem drei Ziele: (i) Transparenz – durch Verbesserung der Qualität der verfügbaren Informationen zur Situation der Kreditinstitute; (ii) Korrekturen – durch Ermittlung und Umsetzung gegebenenfalls notwendiger Korrekturmaßnahmen, und (iii) Vertrauensbildung – um sicherzustellen, dass sich alle Interessenträger gewiss sein können, dass die Kreditinstitute grundlegend solide und vertrauenswürdig sind. Die Bewertung setzt sich aus drei Elementen zusammen: (i) aufsichtliche Risikobewertung, bei der die Hauptrisiken – ua Liquidität, Verschuldungsgrad und Refinanzierung – in quantitativer und qualitativer Hinsicht geprüft werden; (ii) Prüfung der Aktiva-Qualität (*Asset Quality Review* – "**AQR**") zur Steigerung der Transparenz in Bezug auf die Engagements von Kreditinstituten, wobei die Qualität der Bankaktiva auf den Prüfstand gestellt wird, einschließlich einer Analyse, ob die Bewertung der Aktiva und Sicherheiten adäquat ist und die damit zusammenhängenden Rückstellungen angemessen sind; und (iii) Stresstest, mit dem die Widerstandsfähigkeit der Bankbilanzen bei Stressszenarien untersucht wird. Diese drei Elemente greifen eng ineinander. Grundlage der Bewertung



wird eine Eigenmittelquote von 8% CET 1 sein, wobei sowohl für die AQR als auch für das Basisszenario des Stresstests die in der CRR/CRD IV, einschließlich Übergangsregelungen, enthaltene Definition herangezogen wird. Details zum Stress Test wurden am 29.4.2014 angekündigt, in Abstimmung mit der EBA. Den Abschluss der umfassenden Bewertung bildet die Veröffentlichung – in zusammengefasster Form – der Ergebnisse auf Länder- und Kreditinstitutsebene nebst etwaigen Empfehlungen für aufsichtliche Maßnahmen. Diese umfangreichen Ergebnisse, die auch die im Rahmen der drei Säulen der umfassenden Bewertung gewonnenen Erkenntnisse enthalten, werden veröffentlicht, bevor die EZB im November 2014 die Aufsichtsfunktion übernimmt, gemeinsam mit Empfehlungen zur zusätzlichen Aufsichtsmaßnahmen und korrektiven Handlungen, die die Emittentin und das Bankenumfeld allgemein betreffen. Es ist derzeit nicht möglich, die Auswirkungen solcher allfälliger Maßnahmen auf die Emittentin oder die Behandlung von Kapitalinstrumenten zu beurteilen. Außerdem könnte die Veröffentlichung von Ergebnissen der EZB oder die Implementierung zusätzlicher Aufsichtsmaßnahmen, die vom Markt als für die Emittentin oder die Zertifikate nachteilig gesehen werden, den Preis der Zertifikate nachteilig beeinflussen.

- *Änderungen bei der Anerkennung von Eigenmitteln.* Aufgrund der regulatorischen Änderungen werden verschiedene Eigenmittelinstrumente, die in der Vergangenheit emittiert wurden, ihre regulatorische Anerkennung als Eigenmittel verlieren oder in niedrigeren Kategorien als jene, in denen sie ursprünglich erfasst wurden, fallen. Beispielsweise wird die Anrechenbarkeit bestimmter Instrumente des Hybridkapitals über einen bestimmten Zeitraum als zusätzliches Kernkapital (*Additional Tier 1 – "AT 1"*) auslaufen.
- *Bevorzugte Behandlung von Exposures gegenüber Zentralregierungen oder Zentralbanken eines Drittlandes.* Die CRR erlaubt Instituten, Exposures gegenüber Zentralregierungen oder Zentralbanken von Drittstaaten, die aufsichtliche und regulatorische Anforderungen zumindest gleichwertig mit jenen der EU anwenden, mit einem privilegierten Risikogewicht zu versehen. Die EU-Kommission kann einen Beschluss dahingehend fassen, ob ein Drittland aufsichtliche und regulatorische Anforderungen zumindest gleichwertig mit jenen der EU anwendet. Wenn kein solcher Beschluss gefasst wird, dürfen Institutionen bis 1.1.2015 Exposures gegenüber Zentralregierungen oder Zentralbanken von Drittstaaten weiterhin wie bisher behandeln, wenn die zuständige Behörde vor dem 1.1.2014 das Drittland für eine solche Behandlung als geeignet beurteilt hat. Die FMA, als zuständige Behörde für die Erste Group, hat aber keine Drittstaaten als geeignet für eine solche privilegierte Behandlung bestimmt. Die Erste Group hat daher entschieden, eine solche privilegierte Behandlung auf jene Drittstaaten anzuwenden, die die Erste Group als geeignet ansieht, bis eine entsprechende Entscheidung der EU-Kommission (aber jedenfalls nur bis längstens 1.1.2015) ergeht. Eine Einstellung dieser privilegierten Behandlung hätte einen nachteiligen Einfluss auf den Betrag der RWA und die Kapitalquoten.
- *Strengere und geänderte Rechnungslegungsstandards.* Potenzielle Änderungen der Rechnungslegungsstandards sowie strengere oder weitergehende Anforderungen, Vermögenswerte zum Fair Value zu erfassen, könnten sich auf den Kapitalbedarf der Erste Group auswirken.
- *EU-Richtlinie zur Sanierung und Abwicklung von Kreditinstituten.* Am 12.6.2014 wurde die Richtlinie zur Errichtung eines Rahmens für die Sanierung und Abwicklung von Kreditinstituten und Wertpapierfirmen (Richtlinie 2014/59/EU des Europäischen Parlaments und Rats vom 15.5.2014; *Bank Recovery and Resolution Directive – "BRRD"*) veröffentlicht. Die BRRD wird einen Rahmen für die Sanierung und Abwicklung von Kreditinstituten festlegen und verpflichtet unter anderem Kreditinstitute der Europäischen Union, Sanierungs- und Abwicklungspläne aufzustellen, die bestimmte Vereinbarungen und Maßnahmen zur Wiederherstellung der langfristigen Lebensfähigkeit des Instituts im Falle einer wesentlichen Beeinträchtigung ihrer Finanzlage festlegen. Maßnahmen unter der BRRD können sich auch auf Schuldtitel (insbesondere auf nachrangige Schuldverschreibungen, aber unter bestimmten

Umständen auch auf nicht nachrangige Schuldverschreibungen und Zertifikate) auswirken, indem sie der zuständigen Behörde gestattet, solche Instrumente abzuschreiben oder in Aktien umzuwandeln (siehe auch den Risikofaktor "*Die Schuldverschreibungen können nach Eintritt eines bestimmten Auslöse-Ereignisses der Abschreibung oder Umwandlung in Eigenkapital unterliegen, wodurch die Gläubiger einen Teil oder die Gesamtheit ihrer Anlage in die Zertifikate verlieren können (gesetzliche Verlustbeteiligung).*"). Neben der möglichen Anwendbarkeit der Abwicklungsmassnahmen gemäß der BRRD kann die Emittentin auch nationalem Insolvenzverfahren unterliegen.

- *Einheitlicher Bankenabwicklungsmechanismus für europäische Banken.* Am 15.4.2014 beschloss das Europäische Parlament den einheitlichen Abwicklungsmechanismus (*Single Resolution Mechanism – "SRM"*). Der SRM ergänzt den einheitlichen Aufsichtsmechanismus (*Single Supervisory Mechanism – "SSM"*), der Ende 2014 voll funktionsfähig sein soll. Ab dann wird die EZB Kreditinstitute im Euroraum und in anderen an der Bankenunion teilnehmenden EU-Mitgliedstaaten (einschließlich der Emittentin) direkt beaufsichtigen.

Grundlage des einheitlichen Abwicklungsmechanismus werden zwei Rechtsinstrumente sein: (i) eine SRM-Verordnung, die die wichtigsten Aspekte des Mechanismus regelt, und (ii) eine zwischenstaatliche Vereinbarung über bestimmte spezifische Aspekte des einheitlichen Abwicklungsfonds (*Single Resolution Fund – "SRF"*). Die SRM-Verordnung stützt sich auf das in der BRRD enthaltene Regelwerk für Bankenabwicklungen und wird die Schlüsselemente des SRM (einschließlich Anwendungsbereich, Beschlussfassung, Governance des Gremiums und Abstimmungsmodalitäten sowie den Fonds) entwickeln.

Ein einheitlicher Abwicklungsfonds ("**Fonds**") soll errichtet werden, an den alle Kreditinstitute in den teilnehmenden EU-Mitgliedstaaten Beiträge abführen. Der einheitliche Abwicklungsfonds hat eine Zielgröße von EUR 55 Mrd und kann sich auch am Markt refinanzieren. Eigner und Verwalter des einheitlichen Abwicklungsfonds soll der Abwicklungsausschuss sein. Die EU-Mitgliedstaaten, die Mitglieder der Bankenunion sind, müssen einen einheitlichen Abwicklungsfonds innerhalb eines Zeitraums von acht Jahren mit einer Zielausstattung von mindestens 1% der abgedeckten Einlagen einrichten. Während dieses Übergangszeitraums soll der durch die SRM-Verordnung geschaffene einheitliche Abwicklungsfonds nationale Kompartimente für die einzelnen teilnehmenden Mitgliedstaaten umfassen. Die Mittelausstattung dieser Kompartimente soll über einen Zeitraum von acht Jahren schrittweise vergemeinschaftet werden, beginnend mit einer 40%igen Vergemeinschaftung im ersten Jahr.

Der SRM soll am 01.01.2015 in Kraft treten und ist generell auf jene Institutionen anwendbar, die von der EZB beaufsichtigt werden, wobei die "*bail-in*" und Abwicklungsfunktionen gemäß der BRRD sollen im Einklang mit der BRRD am 01.01.2016 implementiert werden.

- *Strukturelle Reform des europäischen Bankensektors.* Am 29.01.2014 hat die Europäische Kommission neue Regelungen für strukturelle Maßnahmen zur Verbesserung der Belastbarkeit der EU-Kreditinstitute vorgeschlagen. Der Vorschlag zielt auf die weitere Stärkung der Stabilität und Belastbarkeit des EU-Bankensystems ab und soll die über die Jahre vorgenommenen finanzregulatorischen Reformen durch Festlegung von Regeln zu strukturellen Änderungen für "*too-big-to-fail*"-Kreditinstituten komplettieren. Deswegen liegt der Fokus des Vorschlags hauptsächlich auf Kreditinstituten mit signifikanten Handelstätigkeiten, deren Pleite nachteilige Auswirkungen auf das übrige Finanzsystem und die gesamte Wirtschaft haben könnte. Dies betrifft europäische Kreditinstitute, denen global systemische Bedeutung zukommt oder die bestimmte Schwellen überschreiten (EUR 30 Mrd Bilanzsumme, und Handelstätigkeiten entweder von mehr als EUR 70 Mrd oder von mehr als 10% der Bilanzsumme des Kreditinstituts). Derzeit bleibt es unklar, ob die Emittentin dem Vorschlag nach dessen Umsetzung unterliegen wird.

Der Vorschlag setzt sich aus dem Bericht der hochrangigen Expertengruppe unter dem Vorsitz von Erkki Liikanen ("**Liikanen Bericht**") und soll:

(i) den Eigenhandel in Finanzinstrumenten und Waren (dh den Handel für eigene Rechnung zum ausschließlichen Zweck der Gewinnerzielung des Kreditinstituts) verbieten;

(ii) den Aufsichtsbehörden die Befugnis und in bestimmten Fällen auch die Verpflichtung gewähren, die Übertragung anderer hochsensibler Tätigkeiten (wie Market-Making, Handel mit komplexen Derivaten und Verbriefungen) auf separate Handelsunternehmen innerhalb der Gruppe zu verlangen; die Kreditinstitute müssen Tätigkeiten aber nicht abtrennen, wenn sie ihrer Aufsichtsbehörde gegenüber glaubhaft nachweisen können, dass die entstehenden Risiken auf anderem Wege gemindert werden; und

(iii) Bestimmungen über die rechtlichen, wirtschaftlichen und operativen Verbindungen sowie die Verbindungen im Bereich der Unternehmensführung zwischen dem abgetrennten Handelsunternehmen und dem Rest der Bankengruppe vorsehen.

Diese vorgeschlagenen strukturellen Abtrennungsmaßnahmen sollen von Bestimmungen flankiert werden, die die Transparenz des Schattenbankwesens erhöhen, und sieht entsprechende Übergangsfristen vor: das Verbot des Eigenhandels würde ab 01.01.2017 und die effektive Abtrennung anderer Handelsaktivitäten ab 01.07.2018 anwendbar sein.

- *Österreichisches Bankeninterventions- und Restrukturierungsgesetz.* Mit dem Ziel, die österreichischen Finanzmärkte zu stabilisieren und den Einsatz öffentlicher Mittel zur Rettung von Kreditinstituten möglichst zu verhindern, hat das österreichische Parlament im Juli 2013 das Bankeninterventions- und -restrukturierungsgesetz ("**BIRG**") angenommen, das seit 1.1.2014 in Kraft ist. Das BIRG nimmt bestimmte Teile der BRRD vorweg, in dem es insbesondere österreichische Kreditinstitute verpflichtet, durch die Erstellung von Sanierungs- und Abwicklungsplänen organisatorisch für den Krisenfall vorzusorgen und indem es einen rechtlichen Rahmen schafft, der ein Einschreiten der zuständigen Behörde ermöglicht, noch bevor eine manifeste Gesetzesverletzung oder Gläubigergefährdung vorliegt ("**Frühinterventionsmaßnahmen**"), falls sich die Vermögens-, Ertrags-, Liquiditätslage oder die Refinanzierungssituation eines Kreditinstituts signifikant verschlechtert.
- *Aufsichtsrechtliche Leitlinien der FMA und der OeNB.* Im März 2012 veröffentlichten die Finanzmarktaufsichtsbehörde ("**FMA**") und die Oesterreichische Nationalbank ("**OeNB**") Aufsichtsrechtliche Leitlinien zur Stärkung der Nachhaltigkeit der Geschäftsmodelle international aktiver österreichischer Großbanken, die die Voraussetzung für österreichische Mutterfinanzinstitute, Sanierungs- und Abwicklungspläne vor Ende 2012 vorzulegen. Die Aufsichtsrechtlichen Leitlinien sehen erhöhte Kapitalerfordernisse für bestimmte Bankengruppen (einschließlich der Erste Group) vor, dies spiegelt sich in der vollständigen Umsetzung der quantitativen und qualitativen Basel III Vorschriften in Bezug auf das CET 1 wider (ohne irgendwelche transnationalen Bestimmungen). In dieser Hinsicht hat die FMA angedeutet, dass sie beabsichtigt, eine zusätzliches Erfordernis für CET 1 für Bankengruppen auf einem konsolidierten Niveau von bis zu 3% ab 2016 einzuführen, wobei das Niveau eines solchen Erfordernisses an CET 1 von der Systemrelevanz der maßgeblichen Bankengruppe abhängt. Weiters werden stärkere lokale Finanzierungsgrundlagen von Tochtergesellschaften durch sog "Kredit-Lokale Finanzierungs-Quoten" eingeführt, dh die Refinanzierung von Krediten durch lokale Einlagen wird gefordert.

In Zukunft können zusätzliche und neue regulatorische Anforderungen verabschiedet werden und das regulatorische Umfeld entwickelt und verändert sich weiterhin in vielen Märkten, in denen die Erste Group tätig ist; dies schließt zum Beispiel den Einheitlichen Aufsichtsmechanismus und die Bankenunion in der EU ein. Der Inhalt und Umfang solcher neuen Gesetze und Vorschriften sowie der Art und Weise, in der sie verabschiedet, durchgesetzt oder interpretiert werden, können die Refinanzierungskosten der Erste Group

erhöhen und könnten nachteilige Auswirkungen auf die Geschäftstätigkeiten, die Finanz-, die Ertragslage und Zukunftsaussichten der Erste Group haben.

Neben der Einhaltung der regulatorischen Mindesteigenmittelanforderungen auf konsolidierter Ebene, unterliegt die Erste Group Bank selbst auch den regulatorischen Mindesteigenmittelanforderungen auf Einzelinstitutsebene. Darüber hinaus können die Mitglieder der Erste Group, die der lokalen Aufsicht im jeweiligen Sitzstaat unterliegen, zur Einhaltung lokaler Eigenmittelanforderungen verpflichtet sein. Es ist daher möglich, dass einzelne Gesellschaften innerhalb der Erste Group oder Untergruppen mehr regulatorisches Kapital benötigen, obwohl die regulatorischen Eigenmittel der Erste Group auf konsolidierter Basis ausreichend sind.

Im Zuge der globalen Finanzkrise wurden die Regeln über regulatorische Eigenmittel für Kreditinstitute durch den Gesetzgeber, Regulatoren und beratenden Gremien (zB des BCBS) geprüft. Gesetzliche oder regulatorische Änderungen der aktuellen Definition von CET 1 (wie Minderheitenanteile) könnten zusätzlich zur Reduzierung der CET 1 Quote der Erste Group oder andere Eigenmittelbestandteile der Erste Group Bank oder Erste Group auf Einzelinstitutsebene oder konsolidierter Ebene führen. Es kann nicht garantiert werden, dass im Falle (weiterer) Änderungen der geltenden Vorschriften, angemessene Übergangsregeln oder –fristen zur Anwendung kommen, die es der Erste Group erlauben, ausgebuchtes CET 1 oder andere Eigenmittelbestandteile rechtzeitig oder zu günstigen Konditionen zurückzuzahlen oder zu ersetzen.

Aus diesen Gründen benötigt die Erste Group unter Umständen in Zukunft zusätzliche Eigenmittel. Solches Kapital, sei es in Form von zusätzlichem Stammkapital oder anderem Kapital, das als Eigenmittel anerkannt wird, kann möglicherweise nicht bzw. nicht zu attraktiven Konditionen zur Verfügung stehen. Ferner können solche regulatorischen Entwicklungen die Erste Group zusätzlichen Kosten und Verbindlichkeiten aussetzen, können verlangen, dass sie die Durchführung ihres Geschäfts ändert oder sonst wie einen negativen Einfluss auf das Geschäft, die Produkte und Dienstleistungen, die sie anbietet, und auf den Wert ihres Vermögens haben. Es ist ungewiss, ob die Erste Group in der Lage ist, ihre regulatorischen Kapitalquoten ausreichend oder rechtzeitig zu erhöhen. Wenn die Erste Group nicht in der Lage ist, ihre regulatorischen Kapitalquoten ausreichend zu erhöhen, kann es zu Herabstufungen ihrer Ratings und einer Erhöhung ihrer Refinanzierungskosten kommen, was erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit, die Finanz- und die Ertragslage der Erste Group haben kann.

#### **Risiko der Änderung steuerlicher Rahmenbedingungen, insbesondere betreffend die Stabilitätsabgabe und die Einführung einer Finanztransaktionssteuer.**

Die zukünftige Entwicklung der Vermögens-, Finanz- und Ertragslage der Emittentin ist unter anderem abhängig von den steuerlichen Rahmenbedingungen. Jede zukünftige Änderung der Gesetzeslage, der Rechtsprechung oder der steuerlichen Verwaltungspraxis kann die Vermögens-, Finanz- und Ertragslage der Emittentin nachteilig beeinflussen.

Die Emittentin unterliegt der Stabilitätsabgabe nach dem Stabilitätsabgabegesetz. Bemessungsgrundlage ist die durchschnittliche unkonsolidierte Bilanzsumme jenes Geschäftsjahres, welches im Jahr vor dem Kalenderjahr endet, für das die Stabilitätsabgabe zu entrichten ist. Diese wird allenfalls vermindert um gesicherte Einlagen, gezeichnetes Kapital und Rücklagen, bestimmte Verpflichtungen von sich in Abwicklung oder Restrukturierung befindlichen Kreditinstituten, bestimmte Verbindlichkeiten, für die der Bund die Haftung übernommen hat sowie Verbindlichkeiten auf Grund bestimmter Treuhandgeschäfte. Die Höhe der Stabilitätsabgabe beträgt idF des Abgabenänderungsgesetzes 2014 0,09% für jene Teile der Bemessungsgrundlage, die einen Betrag von EUR 1 Mrd überschreiten und EUR 20 Mrd nicht überschreiten, und 0,11% für jene Teile, die einen Betrag von EUR 20 Mrd überschreiten. Hinzu kommt für die Kalenderjahre bis einschließlich 2017 ein Sonderbeitrag zur Stabilitätsabgabe.

Der Vorschlag der Europäischen Kommission für eine Richtlinie des Rates über die Umsetzung einer Verstärkten Zusammenarbeit im Bereich der Finanztransaktionssteuer sieht vor, dass elf EU-Mitgliedstaaten, nämlich Österreich, Belgien, Estland, Frankreich, Deutschland, Griechenland, Italien, Portugal, die Slowakei, Slowenien und Spanien

("Teilnehmende Mitgliedstaaten") eine Finanztransaktionssteuer ("FTS") auf bestimmte Finanztransaktionen einheben sollen, sofern zumindest eine an der Transaktion beteiligte Partei im Hoheitsgebiet eines Teilnehmenden Mitgliedstaates ansässig ist und ein im Hoheitsgebiet eines Teilnehmenden Mitgliedstaates ansässiges Finanzinstitut eine Transaktionspartei ist, die entweder für eigene oder fremde Rechnung oder im Namen einer Transaktionspartei handelt (Ansässigkeitsprinzip). Zusätzlich enthält der Vorschlag eine Regelung, wonach ein Finanzinstitut beziehungsweise eine Person, die kein Finanzinstitut ist, dann als in einem Teilnehmenden Mitgliedstaat ansässig gelten, wenn sie Parteien einer Finanztransaktion über bestimmte Finanzinstrumente sind, die im Hoheitsgebiet dieses Teilnehmenden Mitgliedstaates ausgegeben werden (Ausgabeprinzip). Finanztransaktionen im Zusammenhang mit Derivatkontrakten sollen einem Mindeststeuersatz von 0,01% auf den im Derivatkontrakt genannten Nominalbetrag unterliegen, während alle anderen Finanztransaktionen (zB der Kauf und Verkauf von Aktien, Anleihen und ähnlichen Wertpapieren, Geldmarktinstrumenten oder Fondsanteilen) einem Mindeststeuersatz von 0,1% auf alle Komponenten, die die von der Gegenpartei oder einer dritten Partei für die Übertragung entrichtete oder geschuldete Gegenleistung darstellen, unterliegen sollen. Der Vorschlag sieht vor, dass die FTS ab 01.01.2014 anfallen soll (diese Frist wurde jedoch offensichtlich nicht erfüllt). Derzeit erscheint es unklar, ob die FTS in der vorgeschlagenen Form überhaupt eingeführt werden wird. Die vorgeschlagene FTS hat einen sehr breiten Anwendungsbereich und könnte, wenn sie in der gegenwärtig vorgeschlagenen Form umgesetzt wird, in bestimmten Umständen auf bestimmte Handelsaktivitäten in den Zertifikaten anwendbar sein (einschließlich Sekundärmarkttransaktionen). Sollte die FTS eingeführt werden, besteht aufgrund höherer Kosten für die Investoren das Risiko, dass sie zu weniger Transaktionen führen und dadurch die Erträge der Emittentin negativ beeinflussen könnte. Künftigen Inhabern der Schuldverschreibungen wird angeraten, eigenen fachmännischen Rat hinsichtlich der FTS einzuholen.

**Die Emittentin ist möglicherweise nicht in der Lage, die Mindestanforderungen für Eigenmittel und abschreibungsfähige Verbindlichkeiten zu erfüllen.**

Die BRRD verlangt künftig von den Mitgliedstaaten sicherzustellen, dass Institute jederzeit (auf Einzelinstitutsebene und, bei einem EU-Mutterinstitut wie der Emittentin, auch auf konsolidierter Ebene) Mindestanforderungen für Eigenmittel und abschreibungsfähige Verbindlichkeiten erfüllen müssen. Diese Mindestanforderungen sind von der Abwicklungsbehörde festzusetzen und aus dem Betrag der Eigenmittel und der abschreibungsfähigen Verbindlichkeiten - ausgedrückt als Prozentanteil der gesamten Verbindlichkeiten und Eigenmittel des Instituts - zu berechnen. Es besteht das Risiko, dass die Emittentin möglicherweise nicht in der Lage ist, diese Mindestanforderungen für Eigenmittel und abschreibungsfähigen Verbindlichkeiten zu erfüllen, was die Möglichkeit der Emittentin, Zahlungen auf die Schuldverschreibungen zu leisten, wesentlich nachteilig beeinflussen könnte.

**Zukünftig wird die Emittentin verpflichtet sein, Beiträge an den Einheitlichen Abwicklungsfonds und an ex-ante finanzierte Fonds der Einlagensicherungssysteme abzuführen.**

Der Einheitliche Abwicklungsmechanismus (*Single Resolution Mechanism - SRM*) sieht die Errichtung eines einheitlichen Abwicklungsfonds (*Single Resolution Fund - SRF*) vor, an den alle Kreditinstitute in den teilnehmenden EU-Mitgliedstaaten Beiträge abführen müssen.

Außerdem gibt es erstmals seit der Einführung der Einlagensicherungssysteme (*Deposit Guarantee Schemes - DGS*) im Jahr 1994, Finanzierungsanforderungen für die Einlagensicherungssysteme in der Richtlinie (dh Richtlinie 2014/49/EU des Europäischen Parlaments und Rates vom 16.4.2014). Grundsätzlich beträgt die Zielgröße der *ex-ante* finanzierten Fonds der Einlagensicherungssysteme 0,8% der gedeckten Einlagen, die von den Kreditinstituten über einen zehnjährigen Zeitraum eingezogen werden. Neben diesen *ex-ante* Beiträgen, werden die Kreditinstitute gegebenenfalls zusätzliche (*ex-post*) zu leistende Beiträge in einem bestimmten Ausmaß leisten müssen, welches aber begrenzt sein wird, um die Prozyklizität und die Verschlechterung der finanziellen Situation der gesunden Kreditinstitute zu vermeiden.

Die Verpflichtung, für die Errichtung des einheitlichen Abwicklungsfonds Zahlungen zu leisten, sowie die *ex-ante* zu leistenden Beiträge der Einlagensicherungssysteme führen zu zusätzlichen finanziellen Belastungen für die Emittentin und dies könnte erhebliche negative Auswirkungen auf die finanzielle Position der Emittentin und auf die Vermögens-, die Finanz- und Ertragslage der Emittentin haben.

**Zukünftig könnte die Emittentin verpflichtet sein, den Eigenhandel einzustellen und/oder bestimmte Handelsaktivitäten von ihrem Kerngeschäft abzutrennen.**

Die neuen von der EU-Kommission vorgeschlagenen Regelungen hinsichtlich der strukturellen Reform der EU-Kreditinstitute sollen sich an "too-big-to-fail"-Kreditinstitute richten, dh nur die größten und komplexesten EU-Kreditinstitute, deren Pleite nachteilige Auswirkungen auf das übrige Finanzsystem und die gesamte Wirtschaft haben könnte.

Damit der Eintritt dieses Risikos vermieden wird, sieht die Verordnung vor, dass spekulative Aktivitäten verboten werden (Eigenhandel, dh den Handel für eigene Rechnung im Gegensatz zum Handel im Namen der Kunden) und sorgt für die mögliche Abtrennung anderer riskanter von diesen Kreditinstituten ausgeführten Aktivitäten.

Sollte die Emittentin diesen neuen Regelungen unterliegen, könnte dies mögliche implizite Subventionen und Gewinne aus Handelsaktivitäten reduzieren, möglicherweise zu höheren Finanzierungskosten für diese Handelsaktivitäten führen und auch betriebliche Kosten in Bezug auf die Abtrennung einiger Handelsaktivitäten in einen speziellen Rechtsträger verursachen und daher erhebliche negative Auswirkungen auf die finanzielle Position der Emittentin und auf die Vermögens-, die Finanz- und Ertragslage der Emittentin haben.

**Trotz Risikomanagement und internen Kontrollverfahren kann die Erste Group unbekanntem und unerwarteten Risiken ausgesetzt sein.**

Die innerhalb der Erste Group verwendeten Risikomanagementtechniken und -strategien waren nicht und können auch in Zukunft nicht bei der Linderung der Risikobelastung der Erste Group in jedem wirtschaftlichen Marktumfeld oder gegen alle Arten von Risiken, einschließlich des Risikos, dass es misslingt, Risiken zu identifizieren oder vorherzusehen, voll wirksam sein. Darüber hinaus haben regulatorische Prüfungen oder sonstige regelmäßige Überprüfungen der Risikomanagementverfahren und -methoden in der Vergangenheit Schwächen oder Mängel in den Risiko Managementsystemen der Erste Group aufgedeckt und dies kann auch in Zukunft passieren. Einige quantitative Kenngrößen und Messinstrumente für das Bewältigen von Risiken der Erste Group basieren auf dem Einsatz von beobachtetem historischem Marktverhalten. Die Erste Group wendet statistische und andere Instrumente für diese Beobachtungen an, um zur Quantifizierung von Risikopositionen zu gelangen. Während der jüngsten Finanzkrise erfuhren die Finanzmärkte unerwartete Volatilitätsniveaus (rasche Änderungen von Preisentwicklungen) und die Verteilung von in der Vergangenheit beobachteten Korrelationen (das Ausmaß, in dem sich Preise gleichmäßig ändern) zwischen Anlageklassen war mit extrem begrenzter Liquidität gekoppelt. In diesem volatilen Marktumfeld haben die Risikomanagement-Tools und Meßverfahren bei der Vorhersage bestimmter Verluste der Erste Group versagt und es kann auch für die Zukunft nicht ausgeschlossen werden, dass unter ähnlichen Bedingungen und Marktstörungen wichtige Risikopotentiale nicht identifiziert werden können. Weiters berücksichtigen die von der Erste Group verwendeten quantitativen Modelle nicht alle Risiken und treffen ein Vielzahl von Annahmen das Gesamtumfeld betreffend, die zutreffen können oder nicht. Folglich kam es zu Risikosituationen aufgrund von Faktoren, die in den statistischen Modellen der Erste Group entweder nicht berücksichtigt oder nicht richtig bewertet wurden und dies kann auch für die Zukunft nicht ausgeschlossen werden. Dies hat und könnte weiterhin aufgrund der jüngsten Finanzkrise die Fähigkeit der Erste Group, Risiken zu managen, vor allem in Anbetracht der anhaltenden Staatsschuldenkrise in Europa, beschränken; viele der Folgen sind derzeit nicht absehbar. Wenn Umstände eintreten, die die Erste Group nicht identifizieren, vorhersehen oder in der Entwicklung ihrer statistischen Modellen richtig einschätzen kann, könnten die Verluste größer sein als die von Risikomanagementsystem vorgesehenen maximalen Verluste. Darüber hinaus berücksichtigen die Quantifizierungen nicht alle Risiken oder Marktbedingungen. Wenn die Maßnahmen, die zur Bewertung und Minderung von Risiken verwendet werden,

unzureichend sind, kann die Erste Group wesentliche, unerwartete Verluste erfahren, die erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeiten, Finanz- und Ertragslage haben könnten.

#### **Das Geschäft der Erste Group unterliegt operativen Risiken.**

Die Erste Group unterliegt einem operativen Risiko, was die Gefahr von Verlusten infolge der Unzulänglichkeit oder des Versagens interner Verfahren, Systeme, Menschen oder externer Ereignisse bedeutet. Die Erste Group ist unter anderem anfällig für Betrug durch Mitarbeiter oder Außenstehende, einschließlich unerlaubter Transaktionen und Bedienungsfehler, Schreibfehler oder fehlerhafter Aufzeichnungen, die durch fehlerhafte Computer- oder Telekommunikationssysteme entstehen. Angesichts des hohen Volumens von Transaktionen der Erste Group, können Betrug oder Fehler sich wiederholen oder verschlimmert werden, bevor sie entdeckt und behoben werden. Folglich könnte jede Unzulänglichkeit bei internen Prozessen oder Systemen der Erste Group zur Erkennung oder Eingrenzung solcher Risiken zu unbefugten Transaktionen und Fehlern führen, die wesentliche nachteilige Auswirkungen auf die Geschäftstätigkeit, die Finanz-, die Ertragslage und die Zukunftsaussichten der Erste Group haben könnten. Bei der Erste Group können von Zeit zu Zeit auch Dienstunterbrechungen aufgrund von Fehlern von Dienstleistungsdritleistern und Naturkatastrophen, die außerhalb der Kontrolle der Erste Group Bank liegen, entstehen. Dies kann zu Unterbrechungen bei den Dienstleistungen der Mitglieder der Erste Group führen und sich auf das Kundenservice auswirken.

#### **Die Erste Group könnte Schwierigkeiten haben, qualifizierte Mitarbeiter anzuwerben oder zu binden.**

Die Aktivitäten der Erste Group und ihre Fähigkeit in neue Märkte einzusteigen hängen von ihrer Fähigkeit ab, bestehende Mitarbeiter zu binden und weitere Personen, die nicht nur mit der lokalen Sprache, den Sitten und den Marktbedingungen vertraut sind, sondern auch über die notwendigen Qualifikationen und das notwendige Erfahrungsniveau im Bankwesen verfügen, zu finden und anzuwerben. In vielen Märkten Zentral- und Osteuropas, in denen die Erste Group tätig ist, ist der Pool an Personen mit der erforderlichen Zusammensetzung der Fähigkeiten kleiner als in den meisten westeuropäischen Ländern. Der durch andere Finanzinstitutionen steigende Wettbewerb am Arbeitsmarkt in Kernmärkten der Erste Group kann es auch für die Erste Group schwieriger machen, qualifizierte Mitarbeiter zu gewinnen und zu halten und dies kann in Zukunft zu steigenden Lohnkosten führen. Wenn Obergrenzen oder weitere Beschränkungen aufgrund CRD IV für Gehälter oder Bonuszahlungen, die an Führungskräfte der Erste Group Bank oder ihrer Tochtergesellschaften (einschließlich Obergrenzen, die von Regierungen im Zusammenhang mit der Ausweitung der Unterstützung zur Erste Group auferlegt werden) bezahlt werden, eingeführt werden, könnte die Fähigkeit der Erste Group zur Anwerbung und Bindung von qualitativ hochwertigem Personal begrenzt sein und dies könnte zum Verlust von qualifiziertem Personal führen. Wenn die Erste Group nicht in der Lage ist, neue Talente in den wichtigsten strategischen Märkten zu rekrutieren und zu binden oder wenn der Wettbewerb für qualifizierte Mitarbeiter die Lohnkosten erhöht, könnte dies erhebliche negative Auswirkungen auf die Vermögens-, die Finanz- und Ertragslage der Erste Group haben.

#### **Ein Ausfall, eine Unterbrechung oder eine Verletzung von Sicherheitsbestimmungen von Informationssystemen der Erste Group, sowie jegliche Nicht-Aktualisierung dieser Systeme, kann Geschäfts- und andere Verluste zur Folge haben.**

Die Erste Group ist maßgeblich von Informationssystemen abhängig, um ihre Geschäfte zu führen. Ein Ausfall, eine Unterbrechung oder eine Sicherheitsverletzung bei diesen Systemen kann zu Ausfällen oder Unterbrechungen ihres Risikomanagements, ihres Hauptbuches, ihres Depotgeschäftes oder ihres Kreditbereitstellungssystems führen. Falls die Informationssysteme einschließlich ihrer Sicherungssysteme auch nur für eine kurze Dauer ausfallen würden oder sich ihre Notfallpläne zur Fortführung der Geschäfte für den Ernstfall als unwirksam herausstellen, könnte die Erste Group einige der Bedürfnisse der Kunden nicht zeitnah befriedigen und dadurch einen Teil des Geschäfts verlieren.

Gleichermaßen könnten durch eine vorübergehende Abschaltung des Informationssystems der Erste Group Kosten für die Wiederbeschaffung und Überprüfung der Informationen entstehen. Es kann nicht garantiert werden, dass solche Ausfälle oder Unterbrechungen nicht vorkommen werden oder dass die Erste Group diesen Ausfällen oder Unterbrechungen in angemessener Weise begegnen kann. Dementsprechend kann das Auftreten solcher Ausfälle oder Unterbrechungen erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanz- und die Ertragslage der Erste Group haben.

Weiters kann nicht garantiert werden, dass die Einführung und Implementierung neuer Systeme und Verfahren die Gewünschten Vorteile für das Geschäft der Erste Group bringen und es dabei nicht zu Fehlern oder Betriebsunterbrechungen kommt, die wesentlich nachteilige Auswirkungen auf das Geschäft, die Finanzlage und die Betriebsergebnisse der Erste Group haben könnten. Die Erste Group hat bestimmte IT Dienst- und Betriebsleistungen in beschränktem Ausmaß an externe Dienstleister ausgelagert und könnte diese Auslagerung in Zukunft ausweiten, um ihre Kostenstruktur zu optimieren und ihre Flexibilität zu erhöhen. Nicht zufriedenstellende Qualität der Dienstleistungen externer Dienstleister könnte die Risiken in Zusammenhang mit Fehlern oder Unterbrechungen von IT Systemen drastisch erhöhen und zu weiteren Betriebsproblemen und Reputationsverlusten führen.

**Die Erste Group könnte gezwungen sein, angeschlagenen Banken im Haftungsverbund finanzielle Unterstützung zu gewähren, was zu bedeutenden Kosten und einer Bindung ihrer Ressourcen führen könnte.**

Im Jahre 2002 wurde der Haftungsverbund auf Grundlage der Grundsatzvereinbarung zwischen der Mehrzahl der österreichischen Sparkassen und der Erste Group Bank gegründet. Der Zweck des Haftungsverbundes liegt in der Entwicklung eines gemeinsamen Frühwarnsystems, einer gegenseitigen Garantie für bestimmte Verbindlichkeiten der Mitgliedssparkassen und der Stärkung der Zusammenarbeit des Sparkassensektors (ausgenommen UniCredit Bank AG) innerhalb des österreichischen Marktes.

Im Jahr 2013 wurde die Zusammenarbeit zwischen den Sparkassen verstärkt. Das Ziel der neuen Vereinbarung, die am 1.1.2014 in Kraft getreten ist, ist die Stärkung der Gruppensteuerung und die Errichtung eines "institutsbezogenen Sicherungssystems" (*institutional protection scheme - IPS*) (Art 113 Abs 7 CRR) sowie eines "Haftungsverbundes" (*cross-guarantee scheme*) (Art 4 Abs 1 Z 127 CRR), um die Anforderungen des Art 84 Abs 6 CRR zu erfüllen, die alle Minderheitenbeteiligungen, die sich innerhalb des Haftungsverbundes ergeben, insgesamt berücksichtigen und um angesichts des geltenden IFRS 10 die Stärke der Erste Group Bank in den den Haftungsverbund regelnden Vorschriften der Vereinbarung zu verstärken.

Im Rahmen des Haftungsverbundes sind die Erste Group und andere Mitgliedssparkassen verpflichtet, Mitgliedern, die sich in finanziellen Schwierigkeiten befinden, finanzielle Unterstützung oder andere Hilfsmaßnahmen zu gewähren und sich, im Fall der Insolvenz eines Mitgliedes, an den Rückzahlungen bestimmter geschützter Einlagen zu beteiligen. Die Mitgliedssparkassen sind im Rahmen des Haftungsverbundes auch verpflichtet, bestimmte Richtlinien des Kredit- und Risikomanagements bei der Gewährung und Verwaltung von Krediten und bei der Identifizierung, Messung, Management und Begrenzung der Risiken zu befolgen. Dies wird von der Erste Group festgelegt und indirekt überwacht, auch wenn die Erste Group nicht die Unternehmensführung der Mitgliedssparkassen kontrolliert. Diese Anforderungen sind häufig detaillierter und strenger als die bei einzelnen Sparkassen zuvor bestehenden Regelungen. Die Erste Group kann selbst im Fall der Nichteinhaltung der Anforderungen des Risikomanagements durch ein oder mehrere Mitglieder des Haftungsverbundes zur Unterstützung und Rückzahlung bestimmter geschützter Einlagen verpflichtet werden, obwohl die Erste Group nur geringe direkte Kontrolle über das Management der einzelnen Mitglieder Sparkassen ausübt. Folglich wird die Möglichkeit der Erste Group, die Risiken, die sie mit den finanziellen Verpflichtungen im Rahmen des Haftungsverbundes übernommen hat, zu steuern von Ihrer Fähigkeit abhängen, die Anforderungen des Risikomanagements durchzusetzen. Falls eine Sparkasse des Haftungsverbundes in finanzielle Schwierigkeiten gerät oder insolvent wird, kann die Erste Group zur Bereitstellung finanzieller oder anderer Hilfsmittel und zur Übernahme erheblicher



Kosten verpflichtet sein. Dies könnte die Erste Group zu einer Verwendung ihrer Ressourcen zwingen, die erhebliche negative Auswirkungen auf ihre Geschäftstätigkeit, ihre Finanz- und ihre Ertragslage haben können.

**Zinsänderungen werden durch viele Faktoren verursacht die außerhalb des Einflussbereichs der Erste Group liegen, und solche Änderungen können wesentliche negative Auswirkung auf ihre Vermögens-, Finanz- und Ertragslage haben.**

Die Erste Group erzielt den Großteil ihrer betrieblichen Erträge durch Nettozinserträge. Die Zinssätze reagieren sehr sensibel auf viele Faktoren, die außerhalb der Kontrolle der Erste Group liegen, wie z.B. Inflation, die von den Zentralbanken oder Regierungen festgelegte Währungspolitik, die Liberalisierung der Finanzdienstleistungen und verstärkter Wettbewerb auf den Finanzmärkten in denen die Erste Group tätig ist, innerstaatliche und internationale wirtschaftliche und politische Rahmenbedingungen sowie auch andere Faktoren. Veränderungen der Zinssätze können die Marge zwischen dem Zinssatz, den eine Bank ihren Einlegern und sonstigen Kreditgebern zahlen muss und dem Zinssatz, den die Bank auf Kredite, die sie an ihre Kunden begibt, erhält, beeinflussen. Wenn die Zinsmarge fällt, sinken auch die Nettozinserträge, es sei denn eine Bank schafft es, diesen Rückgang durch eine Erhöhung des Gesamtbetrages an Geldmitteln, die sie an ihre Kunden verleiht, auszugleichen. Ein Rückgang der Zinssätze, die den Kunden verrechnet werden, kann häufig die Zinsmarge negativ beeinflussen, insbesondere dann, wenn die Zinssätze für Einlagen bereits sehr niedrig sind, da eine Bank nur geringe Möglichkeiten hat, die Zinsen, die sie ihren Kreditgebern bezahlt, entsprechend zu reduzieren. Eine Erhöhung der Zinssätze, die den Kunden verrechnet werden kann auch negative Auswirkungen auf die Nettozinserträge haben, wenn dadurch weniger Geldmittel durch Kunden aufgenommen werden. Aus Gründen des Wettbewerbs kann sich die Erste Group auch dazu entschließen, die Zinsen für Einlagen zu erhöhen, ohne dabei die Zinssätze für vergebene Kredite entsprechend anzuheben. Schließlich könnte in einem bestimmten Zeitraum ein Ungleichgewicht von verzinslichen Vermögenswerten und verzinslichen Verbindlichkeiten im Fall von Zinsveränderungen die Nettozinsmarge der Erste Group reduzieren, was erhebliche negative Auswirkungen auf ihre Nettozinserträge und dadurch auf die Geschäftstätigkeit und die Finanz- und Ertragslage der Erste Group haben könnte.

**Da ein großer Teil der Aktivitäten, Vermögenswerte und Kunden der Erste Group auf Länder in Zentral und Osteuropa, die nicht der Eurozone angehören, konzentriert sind, ist die Erste Group Währungsrisiken ausgesetzt.**

Ein Großteil der Aktivitäten, Vermögenswerte und Kunden der Erste Group Bank und der Erste Group ist in Ländern in Zentral- und Osteuropa angesiedelt, die nicht der Eurozone angehören (d.h., dass deren gesetzliches Zahlungsmittel nicht Euro ist), und Finanztransaktionen in anderen Währungen als Euro unterliegen einem Fremdwährungsrisiko. Beispielsweise haben viele der Privat- und Geschäftskunden der Erste Group in Ungarn, Rumänien, Kroatien, Serbien und Österreich Kredite aufgenommen, die auf eine andere Währung als ihre maßgebliche Landeswährung lauten (vorwiegend in EUR, USD und CHF). Kreditnehmer könnten gezwungen sein, in dem Ausmaß, in dem eine Landeswährung im Verhältnis zu einer Fremdwährung, in der ein Kredit vergeben wurde, an Wert verloren hat bzw in Zukunft an Wert verlieren wird, höhere Beträge der inländischen Währung aufzunehmen, um Zins- und Tilgungszahlungen auf den in der Fremdwährung begebenen Kredit leisten zu können. Vor diesem Szenario erwartet die Erste Group höhere Kreditausfallraten in diesen Ländern. Andererseits können lokale Regierungen Maßnahmen ergreifen, die Kursschwankungen und Wechselkurse betreffen und dadurch das Kreditrisiko der Erste Group hinsichtlich dieser Währungen beeinflussen wie die von der Schweizer Nationalbank im September 2011 eingeführte Mindestwechsellkurs zum Euro oder das Ungarische Gesetz, das es Konsumenten erlaubt Fremdwährungskredite zu fixen Wechselkursen, die unter den Marktkursen liegen, zurückzuzahlen. Darüber hinaus kann nicht ausgeschlossen werden, dass es auch in anderen Kundensegmenten und/oder Ländern zu solchen Maßnahmen kommt. Zudem kann der Einfluss von Gerichtsentscheidungen, die Bestimmungen unwirksam machen, die in Darlehensverträgen mit ausländischer Währung verwendet werden, oder die diese durch Klauseln ersetzen, die für den Darlehensgeber beschwerlicher sind, einen nachteiligen Effekt haben. In einer jüngeren Entscheidung

betreffend die Streitigkeit eines Kunden mit einem ungarischen Mitbewerber der Erste Bank Ungarn hat das ungarische Höchstgericht entschieden, dass die Wechselkurslücke nachteilig sei und die offizielle mittlere Wechselkursrate der Ungarischen Nationalbank für die Berechnung verwendet werden müsse. Diese gerichtliche Entwicklung könnte auch nachteilige Auswirkungen auf andere ungarische Banken haben, einschließlich der Erste Bank Ungarn, und zusätzliche Kosten oder Rückstellungen bewirken.

Zudem könnten die Kapitalinvestitionen, die die Erste Group in ihren Gruppenunternehmen außerhalb der Eurozone tätigt, wie auch ihre Einkünfte, Vermögenswerte, Verbindlichkeiten und Eigenmittel aufgrund der Wertminderung der lokalen Währung gegenüber dem Euro geringer ausfallen, wenn diese in Euro umgerechnet werden. Die Erste Group sichert ihre Fremdwährungsrisiken in Bezug auf Kapitalanlagen in ihren Gruppenunternehmen nur in begrenztem Umfang ab. Diese und andere Auswirkungen einer Währungsabwertung könnten erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanzlage, regulatorische Kapitalquoten, und die Vermögens- und die Ertragslage der Erste Group haben.

**Es könnte für Erste Group nicht möglich sein, die BCR wieder in die Gewinnzone zu bringen oder Erste Group könnte gezwungen sein, weitere Wertberichtigungen auf frühere Akquisitionen vorzunehmen.**

Die Betriebsergebnisse der Erste Group werden im aktuellen Geschäftsjahr bzw. auch in Zukunft zum Teil davon abhängen, dass ihre rumänische Tochter, Banca Comercială Română S.A. ("**BCR**") wieder profitabel wird. Die BCR hat in der Vergangenheit nachhaltige Verluste verzeichnet und könnte es unter Umständen nicht schaffen, ihre Rückstellungen für Risiken für Kredite und Ausleihungen erheblich zu reduzieren und ihre allgemeine Risikosituation in Rumänien zu verbessern. Die Erste Group könnte daher nicht in der Lage sein, die Profitabilität der BCR wieder herzustellen, was erhebliche negative Auswirkungen auf die Schuldverschreibungen haben könnte.

Die Erste Group könnte gezwungen sein, weitere Wertberichtigungen aufgrund früherer Akquisitionen vorzunehmen.

Der Buchwert der Firmenwerte in der Konzernbilanz der Erste Group könnte sinken, falls die Auswirkungen eines wirtschaftlichen Abschwunges, anhaltender Marktstagnation oder eine langsamere Rückkehr zu einem erwarteten Wirtschaftswachstum, erhöhter Wettbewerb oder andere widrige Ereignisse bewirken, dass der zukünftig erwartete Kapitalfluss nach unten korrigiert werden muss oder falls der für die Abzinsung des Kapitalflusses verwendete Zinssatz erhöht wird. Abhängig von der Höhe der Abschreibungen könnte eine solche Abschreibung erhebliche nachteilige Auswirkungen auf die Vermögens- Finanz- und Ertragslage der Erste Group und auf die Fähigkeit der Erste Group zur Bedienung der Zahlungsverpflichtungen im Zusammenhang mit den Schuldverschreibungen haben.

**Veränderungen der Sicherheitenstandards der EZB könnten negative Auswirkungen auf die Finanzierung der Erste Group und deren Eindeckung mit Liquidität haben.**

Als Folge des Refinanzierungsdrucks, der durch die europäische Staatsschuldenkrise ausgelöst wurde, gab es vermehrt Eingriffe durch eine Reihe von Zentralbanken, im Besonderen durch die EZB. Unter anderem hat die EZB zugestimmt, europäischen Finanzinstituten für eine Dauer von bis zu drei Jahren niedrig verzinsten Kredite zur Verfügung zu stellen und die Mindestanforderungen für Sicherheiten zu senken. Zum Datum dieses Prospekts akzeptiert die EZB bestimmte Instrumente, einschließlich Pfandbriefe der Erste Group als Sicherheit für ihre Tender. Falls die EZB ihre Sicherheitenstandards einschränken oder die Ratinganforderungen für als Sicherheiten dienende Wertpapiere erhöhen würde, könnte dies die Refinanzierungskosten der Erste Group erhöhen und ihre Möglichkeiten der Liquiditätsbeschaffung einschränken, insbesondere dann, wenn Einlagen oder andere Quellen der Liquidität kurzfristig unzureichend sind. Dies würde erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanz- und die Ertragslage der Erste Group haben.

**Die Erste Group ist in einem wettbewerbsintensiven Markt tätig und konkurriert mit großen internationalen Finanzinstituten wie auch etablierten lokalen Mitbewerbern.**

Die Erste Group steht sowohl in Österreich als auch in den Ländern Zentral- und Osteuropas in allen Aspekten ihrer wirtschaftlichen Tätigkeit unter erheblichem Wettbewerbsdruck. Die Erste Group steht mit vielen großen internationalen Finanzinstituten wie auch lokal etablierten Konkurrenzunternehmen im Wettbewerb. Falls die Erste Group nicht in der Lage ist, diesem Wettbewerbsumfeld entsprechend mit profitablen Produkt- und Dienstleistungsangeboten zu begegnen, könnte sie Marktanteile in wichtigen Geschäftsfeldern verlieren oder Verluste in einzelnen oder sämtlichen Geschäftsbereichen erleiden.

Der Konsolidierungstrend in der globalen Finanzdienstleistungsbranche, der durch die jüngste Finanz- und Wirtschaftskrise weiter angestiegen ist, bringt Konkurrenten hervor, die über eine breite Produkt- und Dienstleistungspalette sowie eine starke Kapitalbasis und wachsende Effizienz verfügen und so die Preise stärker beeinflussen können. Diese globalen Finanzinstitute können für Kunden, vor allem für große Unternehmenskunden, aufgrund ihrer größeren internationalen Präsenz und ihrer größeren finanziellen Mittel attraktiver sein. Darüber hinaus ist die Erste Group in bestimmten Märkten, insbesondere Österreich und Ungarn, dem Wettbewerb mit lokalen Banken ausgesetzt, die eine größere Anzahl an Filialen betreiben, ihren Kunden eine größere Palette an Bank- und Finanzdienstleistungen anbieten von Beziehungen zu einer großen Anzahl an bestehenden Kunden profitieren.

Die Erste Group steht nicht nur mit der UniCredit Bank Austria AG und den Raiffeisenbanken in starkem Wettbewerb, sondern auch mit großen internationalen Banken und neuen Wettbewerbern aus Nachbarländern. Aufgrund dieses Wettbewerbs vor allem im Privatkundenbereich waren die Nettozinsmargen auch in der Vergangenheit sehr niedrig. Wenn es der Erste Group nicht gelingt, die Nettozinsmargen auf dem derzeitigen Niveau zu belassen, könnte dies wesentliche negative Auswirkungen auf die Finanzlage und die Betriebserträge der Erste Group haben.

Im Zuge des Reifens der Bankmärkte in Zentral- und Osteuropa erwartet die Erste Group einen stärkeren Wettbewerb mit weltweit tätigen Finanzinstituten und lokalen Mitbewerbern, wobei das Niveau des verstärkten Wettbewerbs von Land zu Land unterschiedlich sein kann. Die Wettbewerbsfähigkeit der Erste Group hängt von ihrer Fähigkeit zur raschen Anpassung ihrer Geschäftsbereiche an Markt- und Branchentrends ab. Falls die Erste Group nicht konkurrenzfähig ist, oder falls Maßnahmen einer Regierung aufgrund der Finanzkrise oder wegen Konjunkturabschwüngen zu einem Wettbewerbsnachteil für die Erste Group führen, könnte dies erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit und die Finanz- und Ertragslage der Erste Group haben.

**Die Hauptaktionäre der Erste Group können Aktionärsmaßnahmen kontrollieren.**

Zum 14.03.2014 waren 20,20% der Aktien der Erste Group Bank der Erste Stiftung zurechenbar. Die ERSTE Stiftung hat das Recht, ein Drittel der Mitglieder des Aufsichtsrates der Erste Group zu bestellen, die nicht vom Betriebsrat entsendet wurden, allerdings hat die ERSTE Stiftung noch nicht von ihrer Ernennungsbefugnis Gebrauch gemacht, sodass alle Aufsichtsratsmitglieder, die nicht vom Betriebsrat entsendet wurden, von der Hauptversammlung gewählt wurden.

Darüber hinaus ist der Einfluss von Großaktionären auf die Willensbildung der Hauptversammlung aufgrund der Maßgeblichkeit der bei der Hauptversammlung anwesenden und nicht der Gesamtzahl der ausstehenden Aktien für das Wahlrecht typischerweise größer als ihr prozentueller Stimmrechtsanteil vermuten lässt. Nach dem österreichischen Gesellschaftsrecht und gemäß der Satzung der Emittentin kann ein Aktionär, der mehr als 25 % der Anteile an der Erste Group hält, eine Reihe von gesellschaftlichen Maßnahmen, die die Zustimmung der Aktionäre erfordern, verhindern, wie z.B. die Schaffung von genehmigtem oder bedingtem Kapital, die Änderungen des Unternehmensgegenstands der Erste Group, Verschmelzungen, Abspaltungen und andere gesellschaftliche Umstrukturierungen. Demzufolge kann die ERSTE Stiftung erheblichen Einfluss auf das Ergebnis einer Abstimmung von Aktionären ausüben und wird, abhängig von der Anwesenheitsquote in einer Hauptversammlung, das Ergebnis der meisten Beschlüsse, die

die Zustimmung der Aktionäre erfordern, beeinflussen. Daher ist es möglich, dass die Erste Stiftung in der Verfolgung ihrer Ziele Einfluss auf die Erste Group in einer Art und Weise ausübt, die nicht im Interesse anderer Aktionäre ist oder dies von ihr erwartet wird.

**Die Einhaltung von Vorschriften im Zusammenhang mit Maßnahmen zur Verhinderung von Geldwäsche, Korruption und Terrorismusfinanzierung bringt erhebliche Kosten und Aufwendungen mit sich und die Nichteinhaltung dieser Vorschriften hat schwerwiegende rechtliche sowie rufschädigende Folgen.**

Die Erste Group unterliegt Regeln und Vorschriften hinsichtlich Geldwäsche, Korruption und Terrorismusfinanzierung. Diese Vorschriften wurden in den letzten Jahren verschärft und werden zukünftig weiter verschärft und strenger durchgesetzt, insbesondere durch die Umsetzung der 4. Geldwäscherichtlinie. Die Überwachung der Einhaltung der Regeln betreffend Geldwäsche, Korruption und Terrorismusfinanzierung können zu einer erheblichen finanziellen Belastung für Banken und andere Finanzinstitute führen und können erhebliche technische Probleme aufwerfen. Die Erste Group kann nicht garantieren, dass sie alle maßgeblichen Regelungen betreffend Geldwäsche, Korruption und Terrorismusfinanzierung zu jeder Zeit einhalten kann und dass ihre konzernweiten Standards betreffend die Verhinderung von Geldwäsche, Korruption und Terrorismusfinanzierung ständig und in allen Fällen von ihren Arbeitnehmern angewendet werden. Jegliche Verletzung und sogar eine vermeintliche Verletzungen dieser Regelungen betreffend Maßnahmen zur Verhinderung von Geldwäsche, Korruption und Terrorismusfinanzierung können schwerwiegende rechtliche, finanzielle und rufschädigende Konsequenzen und damit erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanz- und Ertragslage der Erste Group haben.

**Änderungen in der Konsumentenschutzgesetzgebung sowie in der Anwendung und Auslegung solcher Gesetze können zu einer Beschränkung jener Gebühren und anderer Preise führen, welche die Erste Group für bestimmte Bankentransaktionen in Rechnung stellt und könnte es Konsumenten ermöglichen, einen Teil der bereits in der Vergangenheit bezahlten Gebühren zurückzufordern.**

Änderungen der Konsumentenschutzgesetze oder die Auslegung solcher Gesetze durch Gerichte oder Verwaltungsbehörden könnten die Provisionen beschränken, die die Erste Group für bestimmte ihrer Produkte und Dienstleistungen verlangen darf und daher zu geringeren Provisionserträgen führen. Darüber hinaus können, da neue Gesetze und Novellen zu bestehenden Gesetzen in manchen der Länder, in denen die Erste Group tätig ist, verabschiedet werden, um mit dem kontinuierlichen Wandel in den Marktwirtschaften Schritt zu halten, bestehende Gesetze und Verordnungen und Novellen dazu uneinheitlich angewendet werden oder restriktiver ausgelegt werden. Eine Reihe von Tochterunternehmen der Erste Group werden in einigen Ländern Zentral- und Osteuropas als Beklagte und/oder Beschuldigte in einer Reihe von Gerichts- und Verwaltungsverfahren geführt, die von einzelnen Kunden, Aufsichtsbehörden, Konsumentenschutzverbänden und –vereinen angestrengt wurden. Einige dieser Verfahren sind Sammelklagen. Die Verfahren stehen größtenteils in Zusammenhang mit Anschuldigungen, dass bestimmte vertragliche Bestimmungen, insbesondere im Hinblick auf Verbraucherkredite, zwingend anwendbares Konsumentenschutzrecht verletzen. Die Anschuldigungen hängen sowohl mit der Durchsetzbarkeit bestimmter Provisionen zusammen als auch vertraglichen Bestimmungen zur Anpassung von Zinssätzen und Wechselkursen. Jegliche Änderung der Konsumentenschutzgesetze oder ihrer Interpretation durch Gerichte und Verwaltungsbehörden könnte die Fähigkeit der Erste Group, bestimmte Produkte und/oder Dienstleistungen anzubieten oder bestimmte Vertragsbestimmungen durchzusetzen beeinträchtigen und das Nettozinseinkommen der Erste Group reduzieren und negative Auswirkungen auf das Betriebsergebnis der Erste Group haben.

**Die Eingliederung von potentiellen zukünftigen Akquisitionen kann zu zusätzlichen Herausforderungen führen.**

Die Erste Group könnte zukünftig versuchen, Akquisitionen zur Unterstützung ihrer Unternehmensziele und als Ergänzung ihrer Geschäftsentwicklung in bestehenden und neuen Marktregionen zu tätigen. Solche strategische Geschäfte verlangen erhebliche

Aufmerksamkeit der Unternehmensführung und erfordern den Einsatz finanzieller wie anderer Ressourcen der Erste Group, die sonst für das bestehende Geschäft verfügbar wären. Es kann möglicherweise länger dauern als erwartet, bis sich der Nutzen aus möglichen zukünftigen Akquisitionen verwirklicht und ein Nutzen kann auch gänzlich ausbleiben. Es kann nicht garantiert werden, dass die Erste Group ein zukünftiges Akquisitionsziel erfolgreich verfolgt, vollendet und integriert. Zusätzlich gibt es keine Sicherheit, dass Erste Group alle gegenwärtigen und potentiellen Verbindlichkeiten der übernommenen Gesellschaft vor ihrer Akquisition erkennt. Jeder dieser Faktoren kann zu unerwarteten Verlusten im Anschluss an die Akquisition führen und kann erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Finanz- und Ertragslage der Erste Group haben.

## **Risiken betreffend die Märkte, in denen Erste Group tätig ist**

**Der Austritt eines oder mehrerer Länder aus der Eurozone könnte unvorhersehbare Auswirkungen auf das Finanzsystem und die allgemeine Wirtschaftslage haben, was zu einem Rückgang der Geschäftstätigkeit, Abschreibungen und Verlusten für die Erste Group führen können.**

Sollte ein Land der Eurozone zum Schluss kommen, dass es aus der Gemeinschaftswährung aussteigen muss, so könnte die damit verbundene Notwendigkeit der Einführung einer nationalen Währung und die Neuformulierung bestehender vertraglicher Verpflichtungen unvorhersehbare finanzielle, rechtliche, politische und gesellschaftliche Konsequenzen haben. Angesichts der engen Verflechtungen des Finanzsystems innerhalb der Eurozone und der Exposition der Erste Group gegenüber öffentlichen und privaten Geschäftspartnern in ganz Europa, kann diese nur eingeschränkt für solche unvorhersehbaren Umstände vorausplanen, um das Risikopotential auf nicht-materielle Ebene zu beschränken. Wenn sich infolge des Austritts eines oder mehrerer Länder aus der Eurozone das gesamtwirtschaftliche Klima verschlechtert, könnten fast alle Geschäftsbereiche der Erste Group erheblich negativ beeinflusst werden.

Falls es den Europäischen Entscheidungsträger nicht gelingt, die europäische Staatsschuldenkrise einzudämmen, könnte dies erhebliche negative Auswirkungen auf die Ertrags- und Finanzlage der Erste Group haben, da Erste Group aufgrund der Verschlechterung des gesamtwirtschaftlichen Umfelds gezwungen sein könnte, weitere Abschreibungen auf ihre öffentlichen Schuldtitel und andere Vermögenswerte vorzunehmen. Zusätzlich besteht die Möglichkeit, dass ein oder mehrere Mitglieder der Eurozone aus der Gemeinschaftswährung austreten, was zur Wiedereinführung von einer oder mehreren nationaler Währungen in diesen Ländern führen könnte. Es ist schwierig, die Auswirkungen eines solchen Ereignisses vorzusehen und dies könnte, als Folge negativer Auswirkungen auf wirtschaftliche Tätigkeiten innerhalb und außerhalb der Eurozone, erhebliche negative Auswirkungen auf die Geschäftstätigkeit und die Zukunftsaussichten der Erste Group haben.

Die weitere Verschlechterung des Marktes für öffentliche Schuldtitel in der Eurozone und in Zentral- und Osteuropa, vor allem die steigenden Kreditkosten, von denen viele Länder der Eurozone zum Jahresende 2011 betroffen waren, und die Herabstufung der Bonität der meisten Staaten der Eurozone in den Jahren 2011 und 2012 zeigen, dass sich die Staatsschuldenkrise selbst auf die wirtschaftlich stabilsten Länder innerhalb der Eurozone auswirken kann. Obwohl die Kreditkosten im Jahr 2012 wieder gesunken sind, bleiben erhebliche Zweifel bestehen, ob die von europäischen Entscheidungsträgern getroffenen Maßnahmen ausreichend sein werden, um die Staatsschuldenkrise einzudämmen oder mittel- bis langfristig die Krise zu meistern. Insbesondere könnten weitere Herabstufungen der Bonität von EU-Mitgliedstaaten, wie etwa Frankreich und Österreich, die Effektivität der Europäischen Finanzstabilisierungsfazilität ("**EF**FSF") oder des Europäischen Stabilitätsmechanismus ("**ES**M") gefährden. Da die Bonität von EF

kann die Schwierigkeiten dieser Länder bei der Refinanzierung ihrer Staatsschulden bei Fälligkeit weiter verschärfen, was den Druck auf die Regierungen der Länder der Eurozone weiter erhöht.

**Die Erste Group ist in Schwellenländern tätig, die schnelle wirtschaftliche oder politische Veränderungen erfahren können, was negative Auswirkungen auf ihre Finanz- und Ertragslage haben kann.**

Erste Group ist in Wachstumsmärkten in Zentral- und Osteuropa tätig. In den letzten Jahren haben einige dieser Länder tiefgehende politische, wirtschaftliche und gesellschaftliche Veränderungen erfahren. Wachstumsmärkte haben typischerweise nicht die Wirtschaftsstrukturen oder die rechtlichen und regulativen Rahmenbedingungen, die es üblicherweise in entwickelten, freien Marktwirtschaften gibt. Als Folge sind die Geschäfte der Erste Group den für Regionen, die schnelle politische, wirtschaftliche und gesellschaftliche Veränderungen durchlaufen, typischen Risiken ausgesetzt, wie Währungsschwankungen, Devisenbeschränkungen, ein sich entwickelndes regulatorisches Umfeld, Inflation, wirtschaftlicher Rezession, regionale Marktstörungen und Arbeitsunruhen. Gesamtwirtschaftliche Ereignisse, wie Rezession, Deflation oder Hyperinflation, können zu höheren Ausfallquoten bei Kunden der Erste Group führen, was sich negativ auf die Vermögens-, Finanz- und Ertragslage der Erste Group auswirken würde. Politisch oder wirtschaftlich unsicherer Verhältnisse, die sich entweder aus dem Eintritt dieser Risiken ergeben oder den Eintritt dieser Risiken verursachen, könnten den Markt für Produkte und Dienstleistungen der Erste Group negativ beeinflussen. Das jeweilige Risiko ist für Erste Group je nach Land erheblich unterschiedlich.

**Zugesagte Mittel der EU könnten nicht freigegeben werden oder es könnten weitere Hilfsprogramme von der EU nicht verabschiedet werden.**

Zusätzlich zu Griechenland, Irland und Portugal wurden manchen Ländern, in denen Erste Group tätig ist, einschließlich Serbien und Rumänien, Geldmittel für Infrastruktur und andere Projekte in erheblicher Höhe durch die EU und durch internationale Kreditinstitute, darunter die Europäische Bank für Wiederaufbau und Entwicklung (*European Bank for Reconstruction and Development*, die "EBRD"), der Internationale Währungsfonds ("IWF") und die Europäischen Investitionsbank ("EIB") zugesagt. Soweit diese Mittel nicht oder nur teilweise oder verzögert freigegeben werden, oder falls keine weiteren Hilfsmittel durch die EU und die internationalen Kreditinstitute verfügbar gemacht werden, könnte dies negative Auswirkungen auf die relevanten Volkswirtschaften haben was wiederum negative Auswirkungen auf die Geschäftstätigkeit der Erste Group in den betreffenden Ländern haben könnte.

**Der Verlust des Vertrauens der Kunden in das Geschäft der Erste Group oder in das Bankgeschäft allgemein könnte unerwartet hohe Abhebungen von Kundeneinlagen zur Folge haben, was wiederum erhebliche negative Auswirkungen auf die Vermögens-, Finanz- und Ertragslage und die Liquidität der Erste Group haben könnte.**

Die Verfügbarkeit der Kundeneinlagen der Erste Group zur Finanzierung ihres Kreditportfolios unterliegt möglicherweise Veränderungen, die außerhalb der Kontrolle der Erste Group liegen, wie etwa der Verlust des Vertrauens der Anleger in die Wirtschaft im Allgemeinen oder die Finanzdienstleistungsindustrie oder die Erste Group im Besonderen, Herabstufungen der Bonität oder eine erhebliche weitere Verschlechterung der wirtschaftlichen Bedingungen. Diese Faktoren könnten zukünftig zu einem beschränkten Zugriffs der Erste Group auf ihre die Einlagen ihrer Kunden zu angemessenen Bedingungen und zu einem anhaltenden Abfluss der Spareinlagen führen, was beides negative Auswirkungen auf die Möglichkeit der Erste Group, ihre Tätigkeit zu finanzieren, hätte. Jeglicher Verlust des Kundenvertrauens in das Bankgeschäft der Erste Group, oder in das Bankgeschäft im Allgemeinen könnte in kurzer Zeit die Höhe des Abflusses von Einlagen erheblich erhöhen. Abhebungen in ungewöhnlich hohem Ausmaß könnten erheblich negative Auswirkungen auf die Vermögens-, Finanz- und Ertragslage der Erste Group und ihre Zukunftsaussichten haben und in extremen Umständen die Finanzierung der Erste Group verhindern. In solchen extremen Umständen könnte die Erste Group nicht mehr in der Lage sein, ihre Geschäfte ohne zusätzliche finanzielle Unterstützung, die sie unter Umständen nicht erhalten wird, fortzuführen.

**Liquiditätsprobleme einiger CEE Länder könnten die gesamten CEE Region negativ beeinflussen und erheblich negative Auswirkungen auf die Finanz- und Ertragslage der Erste Group haben.**

Einige Länder, in denen Erste Group tätig ist, könnten schwerwiegende Liquiditätsprobleme erfahren. In der Vergangenheit haben sich Rumänien und Serbien an internationale Einrichtungen um Unterstützung gewandt und es könnten andere Länder der CEE Region gezwungen sein, das gleiche zu tun. Falls solche Liquiditätsprobleme auftreten, könnte dies erhebliche Folgen für die gesamte Region haben, und dazu führen, dass ausländische Banken ihre Einlagen von ihren Zweigniederlassungen in der CEE Region abziehen, Aufsichtsbehörden den freien Transfer von Liquidität Beschränkungen unterwerfen und auf diese Weise die regionale Wirtschaft schwächen, Kunden der Erste Group, die bei verschiedenen Banken Kredite haben, in Mitleidenschaft ziehen und die Liquiditätsposition der Erste Group schwächen. Dies könnte auch zu einem Anstieg der Zahlungsausfälle innerhalb der Wirtschaft oder durch Kunden der Erste Group führen und dementsprechend negative Auswirkungen auf die Geschäftstätigkeit, die Vermögens-, Finanz- und die Ertragslage der Erste Group haben.

**Regierungen von Ländern, in denen Erste Group tätig ist, könnten auf die Finanz- und Wirtschaftskrise mit erhöhtem Protektionismus, Verstaatlichungen oder ähnlichen Maßnahmen reagieren.**

Regierungen von Ländern, in denen Erste Group tätig ist, könnten verschiedene protektionistische Maßnahmen treffen, um ihre Volkswirtschaften, ihre Währungen oder Steuereinnahmen zu schützen, wie unter anderem:

- Die Konvertierung von Krediten in ausländischer Währung, wie etwa EUR, USD oder CHF, in nationale Währungen unterhalb des Marktwerts zulassen, wie dies zum Beispiel in Ungarn im Jahr 2011 passiert ist, oder die Übernahme von Krediten durch staatlichen Einrichtungen zulassen, was zu einer Wertminderung solcher Kredite führen kann;
- Beschränkungen der Rückführung von Gewinnen in Heimatstaaten (entweder durch die Zahlung von Dividenden an ihre Muttergesellschaften oder in anderer Weise) oder Beschränkungen der Devisenausfuhr;
- Beschränkung der Höhe der Zinssätze oder Provisionen, die verrechnet werden dürfen oder sonstiger Bedingungen;
- Untersagung von Auslandsüberweisungen für Banken, die Staatliche Unterstützung erhalten (z.B.: Kredite, die Banken von Staaten eingeräumt wurden oder durch staatliche Garantien gedeckt sind);
- Einführung oder Erhöhung von Bankensteuern oder Gesetzen, die Abgaben auf Finanztransaktionen oder Einkommen aus Bankdienstleistungen erheben oder die Ausweitung solcher, zuvor vorübergehend, eingeführten Maßnahmen;
- Verstaatlichung regionaler Banken, mit oder ohne Entschädigung, um den Bankensektor und die Wirtschaft zu stabilisieren.

Alle diese oder ähnliche Staatliche Handlungen könnten erhebliche negative Auswirkungen auf die Geschäftstätigkeit, die Vermögens-, Finanz- und Ertragslage der Erste Group haben.

**Die Erste Group könnte negativ durch langsames Wachstum oder Rezession im Bankensektor, in dem die Erste Group tätig ist, sowie langsamere Expansion der Eurozone und der EU beeinflusst werden.**

Das Wachstum des Bankensektors in den Ländern, in denen die Erste Group tätig ist, hat im Vergleich zu den Jahren vor 2008 deutlich abgenommen. Während sich die Wirtschaft in den Ländern in Zentral- und Osteuropa, insbesondere in Tschechien und in der Slowakei, entwickelt kann erwartet werden, dass sich das Wachstum im Bankensektor in diesen Regionen weiter verlangsamt. Von den Ländern, in denen Erste Group wesentliche Geschäftsstellen hat, sind Ungarn und die Slowakei 2004 und Rumänien 2007 und Kroatien

im Juli 2013 der EU beigetreten. Das Wirtschaftswachstum in dieser Region könnte in den nächsten Jahren durch die anhaltenden Auswirkungen der jüngsten Kreditkrise und Rezession wie auch durch die verlangsamte Expansion der Eurozone und der EU und durch zunehmende Einschränkungen des EU Budgets weiter eingeschränkt sein, was die Anzahl der Zweigniederlassungen in CEE Ländern reduzieren wird. Zusätzlich könnten gesetzliche, steuerliche und währungspolitische Regelungen der EU die Möglichkeiten der Länder, auf wirtschaftliche Rahmenbedingungen zu reagieren, einschränken. Darüber hinaus wird erwartet, dass einige dieser Länder ihre Steuern und Abgaben entsprechend der EU Standards erhöhen oder neue Steuern einführen, um die soziale Absicherung Arbeitsloser und anderer, die durch den Wirtschaftsabschwung betroffen sind, zu gewährleisten und um die öffentliche Finanzwirtschaft nachhaltig zu stärken, was ebenso die Wachstumsraten einschränken könnte.

**Die Rechtssysteme und Verfahrensgarantien sind in vielen CEE Staaten und besonders in den osteuropäischen Staaten noch nicht voll entwickelt.**

In einigen Märkten, in denen die Erste Group tätig ist, sind die Rechts- und Justizsysteme weniger entwickelt als jene von anderen europäischen Staaten. Das Handelsrecht, Wettbewerbsrecht, Wertpapierrecht, Gesellschaftsrecht, Insolvenzrecht und andere Rechtsbereiche in diesen Staaten waren und werden weiterhin ständigen Veränderungen unterliegen, weil neue Gesetze verabschiedet werden, um den Anschluss an den Übergang zu einer Marktwirtschaft nicht zu verlieren. In dieser Hinsicht können die Gesetze einiger Rechtsordnungen, in denen die Erste Group tätig ist, nicht so günstig für die Interessen der Investoren sein wie die Gesetze der westeuropäischen Staaten oder anderer Rechtsordnungen, mit denen potentielle Investoren vertraut sein können. In einigen Staaten, in denen die Erste Group tätig ist, können bestehende Gesetze und Bestimmungen uneinheitlich angewendet werden oder sie können auf eine restriktive und unwirtschaftliche Weise ausgelegt werden. Unter gewissen Umständen ist es vielleicht nicht möglich, in diesen Ländern rechtzeitig Rechtsmittel zu erwirken. Die relativ begrenzte Erfahrung einer erheblichen Anzahl von Richtern und Staatsanwälten, die in diesen Märkten, insbesondere in Hinblick auf Wertpapierrechtsfragen, tätig sind, und die Existenz einer Reihe von Fragen in Bezug auf die Unabhängigkeit der Justiz kann zu unbegründeten Entscheidungen oder zu Entscheidungen auf Grundlage von Erwägungen führen, die keine Grundlage im Gesetz finden. Darüber hinaus kann die Klärung von Fällen in den Rechtssystemen einiger Märkte, in denen die Erste Group tätig ist, manchmal zu sehr erheblichen Verzögerungen führen. Dieser Mangel an Rechtssicherheit und die Unfähigkeit, wirksame Rechtsmittel rechtzeitig zu erwirken, kann sich negativ auf das Geschäft der Erste Group auswirken.

**In bestimmten CEE Ländern könnte geltendes Insolvenzrecht oder andere Gesetze und Verordnungen betreffend Gläubigerrechte die Möglichkeit der Erste Group, Zahlungen für Kreditausfälle zu erhalten, beschränken**

Insolvenzrecht und andere Gesetze und Verordnungen betreffend Gläubigerrechte werden in den Ländern in der CEE Region unterschiedlich gehandhabt. In manchen Ländern gewährleisten die Gesetze weit geringeren Gläubigerschutz als die Insolvenzsysteme in Westeuropa. Zusätzlich ist es oft schwierig, sämtliche Vermögensgegenstände eines zahlungsunfähigen Schuldners im CEE Raum aufzufinden. Regionale Niederlassungen der Erste Group hatten zeitweise erhebliche Schwierigkeiten, Zahlungen auf Forderungen in Bezug auf Kredite, oder diesen zugrundeliegenden Sicherheiten, zu erhalten, die sie an Personen vergeben hatten, die in der Folge Konkurs angemeldet haben. Im Fall eines weiteren wirtschaftlichen Abschwunges könnten sich diese Probleme infolge von Veränderungen der Gesetze oder Verordnungen, die die Auswirkungen des wirtschaftlichen Abschwunges auf private oder unternehmerische Kreditnehmer beschränken sollen, weiter verschärfen. Falls diese Probleme weiter bestehen oder sich verstärken, könnten sie einen erheblich negativen Einfluss auf die Geschäftstätigkeit, die Vermögens-, Finanz- und Ertragslage der Erste Group haben.



**Die Erste Group könnte verpflichtet werden, an staatlichen Förderungsprogrammen für Kreditinstitute teilzunehmen oder diese und andere staatliche Konsolidierungsprogramme, einschließlich der Einführung von Bankensteuern oder anderer Abgaben, zu finanzieren**

Falls eine große Bank oder ein anderes Kreditinstitut in Österreich oder in einem CEE Markt, in dem die Erste Group wesentlich tätig ist, erhebliche Liquiditätsprobleme erleidet oder riskiert mit ihren Zahlungen in Verzug zu kommen oder in anderer Weise riskiert Konkurs anzumelden, könnte eine Regierung die Erste Group oder ein Mitglied der Erste Group dazu verpflichten, finanzielle Mittel zur Verfügung zu stellen oder andere Garantien zu gewährleisten, um den weiteren Fortbestand einer solchen Institution zu sichern. Das könnte die Erste Group oder eine ihrer Tochtergesellschaften dazu verpflichten, finanzielle Mittel einer solchen Hilfsmaßnahme zuzuführen als diese Mittel dazu zu verwenden, andere Geschäftstätigkeiten weiter voranzutreiben, die wirtschaftlich produktiver wären, was wiederum erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit, die Vermögens-, Finanz- und Ertragslage der Erste Group haben könnte.

### **Für die Einschätzung der mit dem unter dem Programm begebenen Zertifikate wesentliche Faktoren**

**Potenzielle Wertpapierinhaber der Zertifikate, die Gegenstand des Basisprospekts bzw. der Endgültigen Bedingungen sind, sollten die nachfolgend beschriebenen Risikofaktoren, die für die Beurteilung der mit den Zertifikaten verbundenen Risiken wesentlich sind, bei ihrer Investitionsentscheidung berücksichtigen und diese Entscheidung nur auf der Grundlage des gesamten Basisprospekts und einschließlich der Endgültigen Bedingungen treffen.**

**Keine Person sollte die Zertifikate erwerben, ohne eine genaue Kenntnis der Funktionsweise des jeweiligen Zertifikats zu besitzen und sich des Risikos eines möglichen Verlusts bewusst zu sein. Jeder potenzielle Wertpapierinhaber sollte genau prüfen, ob für ihn unter den gegebenen Umständen und vor dem Hintergrund seiner persönlichen Verhältnisse und Vermögenssituation eine Anlage in die Zertifikate geeignet ist.**

Die in diesem Dokument enthaltenen Risikofaktoren gliedern sich in die nachfolgend angegebenen Unterabschnitte auf:

- Allgemeine Risikofaktoren
- Risikofaktoren in Bezug auf bestimmte Arten von Zertifikaten
- Risikofaktoren in Bezug auf bestimmte Arten von Basiswerten
- Risikofaktoren in Bezug auf Interessenkonflikte

### **Allgemeine Risikofaktoren**

**Die Zertifikate sind risikoreiche Instrumente der Vermögensanlage. Im Vergleich zu anderen Kapitalanlagen ist bei ihnen das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten – hoch; die Zertifikate werfen, soweit nicht ausdrücklich vorgesehen, keinen laufenden Ertrag ab.**

Die Zertifikate sind handelbare Wertpapiere, die Wertpapierinhabern die Möglichkeit bieten, an der Wertentwicklung eines bestimmten Basiswerts zu partizipieren, ohne den Basiswert erwerben zu müssen.

In den Zertifikaten ist das Recht der Wertpapierinhaber auf Zahlung eines Auszahlungsbetrags bei Fälligkeit der Wertpapiere verbrieft. Die Ausgabe einzelner effektiver Wertpapiere ist hingegen ausgeschlossen.

Die Berechnung des Auszahlungsbetrags ist bei den vorliegenden Zertifikaten grundsätzlich von der Kursentwicklung (die sog. "**Performance**") eines Basiswerts während der Laufzeit der Zertifikate abhängig.

Zwischen dem wirtschaftlichen Wert der Zertifikate und dem wirtschaftlichen Wert des Basiswerts besteht daher ein Zusammenhang. Ein Zertifikat verliert regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Wertpapieren maßgeblicher Faktoren) dann an Wert, wenn der Kurs des Basiswerts fällt. Die Zertifikate können jedoch – im Fall von Reverse-Strukturen – auch so ausgestaltet sein, dass ein Zertifikat (unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Wertpapieren maßgeblicher Faktoren) dann an Wert verliert, wenn der Kurs des Basiswerts steigt, so zum Beispiel bei Reverse Bonus Zertifikaten.

Die Berechnung des Auszahlungsbetrags wird grundsätzlich auf Basis eines Referenzpreises, des Bezugsverhältnisses, und gegebenenfalls weiterer Ausstattungsmerkmale berechnet. Das Bezugsverhältnis gibt hierbei an, auf wie viele Einheiten des Basiswerts sich ein Zertifikat bezieht. Das Bezugsverhältnis lässt sich durch eine Dezimalzahl ausdrücken, sodass ein Bezugsverhältnis von z.B. 0,01 angibt, dass sich ein Zertifikat auf ein Hundertstel einer Einheit des Basiswerts bezieht.

Ein Zertifikat verbrieft keinen Anspruch auf Dividendenzahlung und keinen Anspruch auf Zinszahlung und wirft daher **keinen laufenden Ertrag** ab. Mögliche Wertverluste des Zertifikats können daher regelmäßig **nicht** durch laufende Erträge des Zertifikats kompensiert werden.

**Zertifikate mit einem Partizipationsfaktor beinhalten das Risiko, dass Wertpapierinhaber an Wertveränderungen des Basiswerts unterproportional bzw. überproportional partizipieren.**

Bei Anwendbarkeit eines Partizipationsfaktors partizipiert der Wertpapierinhaber an der Kursentwicklung des Basiswerts in Höhe eines bestimmten Faktors. Je nach Ausstattung der Zertifikate kann ein von eins (1) abweichender Partizipationsfaktor bewirken, dass der Wertpapierinhaber, vorbehaltlich der Wertbeeinflussung durch weitere Ausstattungsmerkmale, an Wertveränderungen des Basiswerts unterproportional bzw. überproportional partizipiert.

**Die Zertifikate könnten keine Liquidität aufweisen oder der Markt für solche Zertifikate könnte eingeschränkt sein, wodurch der Wert der Zertifikate oder die Möglichkeit der Wertpapierinhaber, diese zu veräußern, negativ beeinflusst werden könnte.**

Sofern nicht anders von der Emittentin an die Käufer der Zertifikate mitgeteilt oder soweit die Regelungen einer Börse, an der die Zertifikate gelistet und zum Handel zugelassen sind, die zur Verfügung Stellung von Liquidität in Bezug auf die Zertifikate erfordern, können die Zertifikate keine Liquidität aufweisen oder der Markt für solche Zertifikate limitiert sein und dadurch den Wert der Zertifikate oder die Möglichkeit der Wertpapierinhaber diese zu veräußern negativ beeinflussen.

Die Emittentin ist nicht verpflichtet, Preise für die Zertifikate zu stellen oder die Zertifikate zurück zu kaufen. Sollte die Emittentin Preise für die Zertifikate stellen, kann sie dies jederzeit, ohne eine Vorabankündigung, wieder einstellen. Käufer der Zertifikate sollten daher nicht voraussetzen, dass die Zertifikate während ihrer Laufzeit zu einer bestimmten Zeit und zu einem bestimmten Preis verkauft werden können. Die Emittentin ist nicht verpflichtet, die Quotierung von Geld- oder Briefkursen der Zertifikate, die für etwaige Käufer der Zertifikate vorteilhaft wären, vorzunehmen. Auch wenn ein Antrag auf Zulassung zum Handel der unter dem Prospekt emittierten Zertifikate an einer Börse gestellt wird, gibt es keine Garantie, dass ein solcher Antrag akzeptiert wird und sich ein aktiver Handel entwickelt. Dementsprechend gibt es keine Zusicherung für die Entwicklung oder die Liquidität eines Handelsmarktes für ein bestimmtes Zertifikat. Die Emittentin übernimmt keine Verantwortung oder Verpflichtung

gegenüber den Käufern der Zertifikate, dass sich ein Handelsmarkt entwickelt oder dieser liquide ist.

**Wertpapierinhaber sollten beachten, dass Kursänderungen (oder auch schon das Ausbleiben einer erwarteten Kursänderung) des Basiswerts den Wert des Zertifikats überproportional bis hin zur Wertlosigkeit mindern können, und dass bei Zertifikaten mit Laufzeitbegrenzung nicht darauf vertraut werden sollte, dass sich der Preis des Zertifikats rechtzeitig wieder erholen wird.**

Die Preisbildung der Zertifikate orientiert sich während ihrer Laufzeit an verschiedenen Faktoren. Neben der Laufzeit der Zertifikate gehört hierzu insbesondere die Bonität der Emittentin.

Die Zertifikate können während ihrer Laufzeit außerbörslich und/oder börslich gehandelt werden. Die Preisbildung der Zertifikate orientiert sich aber im Gegensatz zu den meisten anderen Wertpapieren nicht an dem Prinzip von Angebot und Nachfrage, da die Emittentin oder eine dritte Partei in ihrer Funktion als Market-Maker im Sekundärmarkt eigenständig berechnete An- und Verkaufspreise für die Zertifikate stellen wird (jedoch ohne hierzu, gesetzlich oder anderweitig verpflichtet zu sein).

Die Preisberechnung durch den Market-Maker wird auf der Basis von im Markt üblichen Preisberechnungsmodellen vorgenommen, wobei der theoretische Wert der Zertifikate grundsätzlich aufgrund des Werts des Basiswerts und anderer veränderlicher Parameter ermittelt wird. Zu den anderen Parametern können unter anderem derivative Komponenten, erwartete Erträge aus dem Basiswert (z.B. Dividenden), Zinssätze, die Volatilität des Basiswerts und die Angebots- und Nachfragesituation für Hedging-Instrumente.

Es ist zu beachten, dass Kursänderungen (oder auch schon das Ausbleiben einer erwarteten Kursänderung) des Basiswerts den Wert des Zertifikats überproportional bis hin zur Wertlosigkeit mindern können. Insbesondere kann bei Zertifikaten mit Laufzeitbegrenzung angesichts der begrenzten Laufzeit der Zertifikate nicht darauf vertraut werden, dass sich der Preis des Zertifikats rechtzeitig wieder erholen wird. Es besteht dann das Risiko des **teilweisen oder vollständigen Verlusts des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten**. Dieses Risiko besteht unabhängig von der finanziellen Leistungsfähigkeit der Emittentin.

**Die Wertentwicklung der Zertifikate ist an die Wertentwicklung des Basiswerts gekoppelt, welche wiederum durch nationale und internationale finanzielle, politische, militärische oder wirtschaftliche Ereignisse, einschließlich staatlicher Maßnahmen, oder durch Aktivitäten der Teilnehmer der betroffenen Märkte, beeinflusst wird. Jedes dieser Ereignisse bzw. jede dieser Aktivitäten kann den Wert der Zertifikate negativ beeinflussen.**

Die Zertifikate beziehen sich auf einen Basiswert. Die Wertpapierinhaber sind dementsprechend der Entwicklung des Basiswerts ausgesetzt. Der Kurs bzw. der Preis des Basiswerts kann im Laufe der Zeit unvorhersehbaren Schwankungen unterliegen, wobei die Höhe dieser Schwankungen als "Volatilität" bezeichnet wird. Die Volatilität eines Basiswerts kann durch nationale und internationale finanzielle, politische, militärische oder wirtschaftliche Ereignisse, einschließlich staatlicher Maßnahmen, oder durch Aktivitäten der Teilnehmer des relevanten Marktes beeinflusst werden. Jedes dieser Ereignisse bzw. jede dieser Aktivitäten kann den Wert der Zertifikate nachteilig beeinflussen. Aus der Volatilität lässt sich die Richtung des Kurses oder des Preises nicht ableiten, für einen Basiswert mit höherer Volatilität ist es jedoch wahrscheinlicher, dass er öfter und/oder in größerem Ausmaß an Wert zunimmt oder verliert, als ein Basiswert mit geringerer Volatilität.

Für Information über Risiken im Zusammenhang mit dem Basiswert siehe auch unten im Abschnitt "Risikofaktoren im Hinblick auf bestimmte Arten von Basiswerten".

**Hat der Basiswert einen Bezug zu Schwellenländern, muss ein Wertpapierinhaber mit erheblichen politischen und wirtschaftlichen Unsicherheiten rechnen, die erheblichen Einfluss auf die Kursentwicklung der Zertifikate haben können.**

Investments in sogenannte Schwellenländer beinhalten neben den allgemeinen mit der Anlage in den jeweiligen Basiswert verbundenen Risiken zusätzliche Risikofaktoren. Hierzu gehören die instabile wirtschaftliche Lage, hohe Inflation, erhöhte Währungsrisiken sowie politische und rechtliche Risiken. Politische und wirtschaftliche Strukturen in den Schwellenländern können beachtlichen Umwälzungen und rapiden Entwicklungen unterliegen, und diesen Ländern kann es, im Vergleich zu weiter entwickelten Ländern, an sozialer, politischer und wirtschaftlicher Stabilität fehlen. Insbesondere besteht ein erhöhtes Risiko der Währungsfluktuation. Die Instabilität dieser Länder kann u.a. durch autoritäre Regierungen oder die Beteiligung des Militärs an politischen und wirtschaftlichen Entscheidungsprozessen verursacht werden. Hierzu gehören auch mit verfassungsfeindlichen Mitteln erzielte oder versuchte Regierungswechsel, Unruhen in der Bevölkerung verbunden mit der Forderung nach verbesserten politischen, wirtschaftlichen und sozialen Bedingungen, feindliche Beziehungen zu Nachbarländern oder Konflikte aus ethnischen, religiösen oder rassistischen Gründen.

Zudem besteht die Möglichkeit der Restriktionen gegen ausländische Anleger, der Zwangsenteignung von Vermögenswerten, der beschlagnehmenden Besteuerung, der Beschlagnahme oder Verstaatlichung ausländischer Bankguthaben oder anderer Vermögenswerte, der Einrichtung von Devisenkontrollen oder von anderen nachteiligen Entwicklungen, die den Erfolg eines Investments in solchen Ländern beeinträchtigen können. Solche Beeinträchtigungen können unter Umständen für einen längeren Zeitraum, d.h. Monaten oder auch Jahre, andauern. Jede dieser Beeinträchtigungen kann eine so genannte Marktstörung im Hinblick auf die Zertifikate zur Folge haben, unter anderem mit der Folge, dass in diesem Zeitraum keine Preise für die von der Marktstörung betroffenen Zertifikate gestellt werden.

Die geringe Größe und mangelnde Erfahrung auf den Wertpapiermärkten in bestimmten Ländern und das begrenzte Handelsvolumen mit Wertpapieren kann dazu führen, dass ein zu Grunde liegender Basiswert illiquide bzw. deutlich volatil ist als Basiswerte in besser etablierten Märkten. Es ist möglich, dass kaum Finanz- oder Bilanzinformationen zu den Emittenten vor Ort zur Verfügung stehen und es kann dementsprechend schwierig sein, den Wert bzw. die Aussichten der zu Grunde liegenden Basiswerte zu bewerten.

Sofern der Basiswert der Zertifikate in lokaler Währung notiert, also nicht gegenüber dem Euro gesichert ist, besteht zudem ein erhöhtes Währungsrisiko. Die Währungswechselkurse in Schwellenländern unterliegen erfahrungsgemäß besonders hohen Schwankungen. Dies kann dazu führen, dass sich der Wert des Produkts erheblich negativ entwickelt, obwohl der Wert des Basiswerts während der Laufzeit des Produkts im Wesentlichen unverändert geblieben ist oder sich sogar positiv entwickelt hat. Hierdurch kann ein Teil oder auch die gesamte Kursentwicklung des Basiswerts durch Währungsverluste aufgezehrt werden und sogar eine negative Kursentwicklung eintreten.

**Falls Auszahlungen auf die Zertifikate in einer Währung vorgenommen werden, die sich von der Währung des Basiswerts unterscheidet und solche Zertifikate keine "Quanto" Funktion aufweisen, hängt das Verlustrisiko der Wertpapierinhaber auch von der Entwicklung der Referenzwährung des Basiswerts gegenüber der Währung der Zertifikate ab, welche nicht vorhersehbar ist.**

Falls Auszahlungen auf die Zertifikate in einer Währung vorgenommen werden, die sich von der Währung des Basiswerts (der sogenannten "Referenzwährung") unterscheidet und solche Wertpapiere keine "Quanto" Funktion aufweisen, hängt das Verlustrisiko der Wertpapierinhaber nicht allein von der Entwicklung des Basiswerts ab, sondern auch von der Entwicklung der Referenzwährung, welche nicht vorhersehbar ist. Wertpapierinhaber sollten beachten, dass Währungswechselkurse hoch volatil sind, dies immer schon waren und von Angebots- und Nachfragefaktoren auf den internationalen Devisenmärkten bestimmt werden, welche wiederum von volkswirtschaftlichen Faktoren wie zum Beispiel unterschiedlichen Inflationsraten der betroffenen Länder, Zinsunterschiede der jeweiligen Länder, wirtschaftliche Prognosen, Währungskonvertibilität und Sicherheit für Finanzinvestments in die betroffene Währung, internationale politische Faktoren oder Spekulationen und Maßnahmen von Regierungen und Zentralbanken (zum Beispiel währungspolitische Kontrollen oder Steuern, einführen neuer Währungen um derzeitige Währungen abzulösen, Veränderung des

Wechselkurses oder Wechseleigenschaften durch Abwertung oder Neubewertung einer Währung oder Einführung von Devisenkontrollen in Bezug auf den Austausch oder die Übertragung von einer bestimmten Währung, dass sich auf die Wechselkurse auswirken würde, sowie der Verfügbarkeit einer bestimmten Währung) beeinflusst werden. Wechselkursschwankungen zwischen der heimischen Währung eines Erwerbers und der Auszahlungswährung, d.h. der jeweiligen Währung, auf die der Auszahlungsbetrag der Zertifikate lautet, kann sich auf Erwerber auswirken, die Gewinne oder Verluste durch Ausübung oder dem Verkauf von Zertifikaten in ihre Heimatwährung konvertieren möchten.

Wenn ein Basiswert nicht in der Auszahlungswährung bestimmt wird und zur gleichen Zeit nur die Wertentwicklung des Basiswerts in der Referenzwährung für die Auszahlung der Wertpapiere relevant ist, werden diese Wertpapiere als währungsgeschützt oder Wertpapiere mit einer "Quanto" Funktion bezeichnet. Falls diese Funktion zur Anwendung kommt, hängt die Rendite der Zertifikate nur von der Entwicklung des Basiswerts (in der jeweiligen Referenzwährung) ab und jede Bewegung des Wechselkurses zwischen der Referenzwährung und der Auszahlungswährung wird nicht berücksichtigt. Dementsprechend bedeutet die Anwendung einer "Quanto" Funktion, dass die Käufer solcher Zertifikate nicht den Vorteil der Bewegungen im Wechselkurs zwischen der Referenzwährung und der Auszahlungswährung haben, die sonst, ohne die Anwendung einer solchen "Quanto" Funktion, den Preis der Zertifikate oder des zu zahlenden Auszahlungsbetrags am Ende der Laufzeit erhöhen würde. Darüber hinaus können Bewegungen in dem relevanten Wechselkurs indirekt Einfluss auf den Preis des Basiswerts haben, was wiederum einen negativen Einfluss auf die Rendite der Zertifikate haben kann.

**Wertpapierinhabern sollte bewusst sein, dass sie eventuell nicht in der Lage sein werden, sich gegen Risiken aus den Zertifikaten abzusichern.**

Wertpapierinhaber können nicht darauf vertrauen, dass sie während der Laufzeit der Zertifikate Geschäfte abschließen können, durch die sie ihre anfänglichen Risiken ausschließen oder einschränken können. Dies hängt von den Marktverhältnissen und den jeweils zugrunde liegenden Bedingungen ab. Unter Umständen können solche Geschäfte nur zu einem für den Wertpapierinhaber ungünstigen Marktpreis getätigt werden, so dass für ihn ein entsprechender Verlust entsteht.

**Eine Kreditfinanzierung des Erwerbs von Zertifikaten erhöht die maximal mögliche Höhe eines Verlusts erheblich.**

Wenn Wertpapierinhaber den Erwerb von Zertifikaten mit Kredit finanzieren, müssen sie beim Nichteintritt ihrer Erwartungen nicht nur den eingetretenen Verlust hinnehmen, sondern auch den Kredit verzinsen und zurückzahlen. Dadurch erhöht sich das Verlustrisiko der Wertpapierinhaber erheblich. Wertpapierinhaber sollten daher nicht darauf setzen, den Kredit aus Erträgen eines Zertifikats verzinsen oder zurückzahlen zu können. Vielmehr müssen sie vorher ihre wirtschaftlichen Verhältnisse dahingehend prüfen, ob sie zur Verzinsung und gegebenenfalls kurzfristigen Tilgung des Kredits auch dann in der Lage sind, wenn statt der erwarteten Erträge Verluste eintreten.

**Absicherungsgeschäfte der Emittentin können den Preis der Zertifikate für den Anleger nachteilig beeinflussen.**

Die Emittentin kann während der Laufzeit der Zertifikate zu einem beliebigen Zeitpunkt auf einem Markt oder durch jedes andere öffentliche oder nicht-öffentliche Geschäft Zertifikate kaufen oder verkaufen. Die Emittentin handelt die Zertifikate und Basiswerte im Rahmen ihrer üblichen Geschäftstätigkeit und sichert sich teilweise oder vollständig gegen finanzielle Risiken, die mit den Zertifikate verbunden sind, durch den Abschluss von Absicherungsverträgen bezüglich dieser Basiswerte ab.

Absicherungsaktivitäten der Emittentin können sowohl den Kurs der Basiswerte auf dem Markt als auch den Wert der Zertifikate und/oder den von den Wertpapierinhabern zu erhaltenden Auszahlungsbetrag beeinflussen. Ein solches Geschäft kann bestimmte relevante Kursschwellen (z.B. die Barriere) auslösen, die den Preis der Zertifikate für den Wertpapierinhaber nachteilig beeinflussen können.

Die Emittentin ist nicht dazu verpflichtet, die Wertpapierinhaber über derartige Verkäufe oder Käufe oder andere Ereignisse (zum Beispiel den Abschluss von Absicherungsverträgen), die Einfluss auf die Entwicklung des Werts der Zertifikate und/oder die Basiswerte haben können, zu informieren, es sei denn, gesetzliche Regelungen machen dies erforderlich. Es ist daher erforderlich, dass sich die Wertpapierinhaber selbständig über die Entwicklung des Werts der Zertifikate und der Basiswerte informieren.

**Nebenkosten auf gegebenenfalls zu erwartende Erträge verringern den Gewinn der Wertpapierinhaber.**

Gebühren und andere Transaktionskosten, die beim Kauf oder Verkauf von Zertifikaten anfallen, vermindern die Chancen der Wertpapierinhaber, mit dem Erwerb des Zertifikats einen Gewinn zu erzielen. Bei einem niedrigeren Anlagebetrag fallen feste Kosten stärker ins Gewicht. Wertpapierinhaber sollten sich deshalb bereits vor Erwerb eines Zertifikats über alle beim Kauf oder Verkauf des Zertifikats anfallenden Kosten informieren.

**Wertpapierinhaber sind dem Risiko einer falschen Einschätzung der Liquidität der Zertifikate aufgrund des Emissionsvolumens der Zertifikate ausgesetzt.**

Die Angebotsgröße entspricht dem Maximalbetrag der angebotenen Zertifikate, lässt aber keinen Rückschluss auf das Volumen der jeweiligen, effektiv emittierten und bei einem Zentralverwahrer hinterlegten Zertifikate zu. Dieses Volumen richtet sich nach den Marktverhältnissen und kann sich während der Laufzeit der Zertifikate verändern. Wertpapierinhaber sollten daher beachten, dass auf Grundlage der Angebotsgröße der Zertifikate keine Rückschlüsse auf die Liquidität der Zertifikate im Sekundärmarkt möglich sind.

**Marktstörungen, Anpassungsmaßnahmen und Kündigungsrechte können negative Auswirkungen auf die Rechte der Wertpapierinhaber haben.**

Marktstörungen können den Preis der Wertpapiere beeinflussen und die Rückzahlung der Wertpapiere verzögern.

Anpassungsmaßnahmen werden nach Maßgabe der Zertifikatsbedingungen vorgenommen. Im Fall von Anpassungsmaßnahmen bezüglich des Basiswerts kann nicht ausgeschlossen werden, dass sich die einer Anpassungsmaßnahme zugrunde liegenden Einschätzungen im Nachhinein als unzutreffend erweisen und sich die Anpassungsmaßnahme später als für den Wertpapierinhaber unvorteilhaft herausstellt und der Wertpapierinhaber durch die Anpassungsmaßnahme wirtschaftlich schlechter gestellt wird, als er vor einer Anpassungsmaßnahme stand oder durch eine andere Anpassungsmaßnahme stehen würde.

Der Emittentin kann darüber hinaus im Fall des Vorliegens von bestimmten Umständen ein Recht zur außerordentlichen Kündigung zustehen. Im Falle der Ausübung des Kündigungsrechts wird die Emittentin die Zertifikate zu einem nach billigem Ermessen bestimmten angemessenen Marktpreis zurückzahlen, d.h. ein Anspruch auf Zahlung eines für das ordentliche Laufzeitende auf Basis einer Rückzahlungsformel zu berechnenden Betrags oder eines festgelegten unbedingten Mindestbetrags besteht im Fall einer außerordentlichen Kündigung nicht. Es besteht in diesem Fall ein Wiederanlagerisiko, das heißt ein Risiko, dass der Wertpapierinhaber die vorzeitig zurückerhaltenen Mittel nur zu verschlechterten Konditionen wieder anlegen kann. Sofern in den Zertifikatsbedingungen vorgesehen, hat die Emittentin ein Recht zur ordentlichen Kündigung. Auch in diesem Fall besteht ein Wiederanlagerisiko des Wertpapierinhabers.

Bei der Bestimmung des angemessenen Marktpreises im Fall einer außerordentlichen Kündigung kann die Berechnungsstelle verschiedene Marktfaktoren berücksichtigen. Grundsätzlich zählen dazu unter anderem auch die Ausfallwahrscheinlichkeit der Emittentin, berechnet anhand der am Markt quotierten Credit Spreads oder der Renditen hinreichend liquide gehandelter Anleihen zum Zeitpunkt der Bestimmung des Kündigungsbetrags. Bei Zertifikaten mit Laufzeitbegrenzung und Aktien oder einem Aktienkorb als Basiswert ist zu beachten, dass im Fall einer Kündigung in Folge eines Übernahmeangebots bei der Bestimmung des Kündigungsbetrags, entsprechend dem üblichen Verfahren an Terminbörsen zur Bestimmung des theoretischen fairen Werts, sofern die Gegenleistung ausschließlich oder überwiegend in Bar erfolgt, der Kurs des Basiswerts nach Bekanntgabe

des Übernahmeangebots zugrunde gelegt werden kann, wobei jedoch insbesondere auch die Dividendenerwartungen und die durchschnittliche implizite Volatilität der vergangenen zehn Handelstage vor Bekanntgabe des Übernahmeangebots berücksichtigt werden (sog. "**Fair Value Methode**"). Die Fair Value Methode dient dazu, dass der Restzeitwert der zugrundeliegenden Option berücksichtigt wird.

**Berichtigungen, Änderungen oder Ergänzungen der Zertifikatsbedingungen können nachteilig für Wertpapierinhaber sein.**

Anleger sollten beachten, dass die Emittentin in bestimmten Fällen berechtigt ist, Bestimmungen in den Zertifikatsbedingungen zu berichtigen, zu ändern oder zu ergänzen, wobei die Berichtigung, Änderung oder Ergänzung einer Bestimmung in den Zertifikatsbedingungen gegebenenfalls für den Anleger nachteilig gegenüber der ursprünglich verbrieften Bestimmung sein kann, d.h. gegebenenfalls auch Informationen oder Bestimmungen von der Berichtigung, Änderung oder Ergänzung betroffen sind, welche zu den wertbestimmenden Faktoren der Zertifikate zählen.

Sofern durch die Berichtigung, Änderung oder Ergänzung der Bestimmung der Inhalt oder Umfang der Leistungspflichten der Emittentin in einer für den Anleger nicht vorhersehbaren, für ihn nachteiligen Weise geändert wird, ist der Anleger berechtigt, die Zertifikate innerhalb einer bestimmten Frist zu kündigen. Der Anleger hat kein Kündigungsrecht, wenn die Berichtigung, Änderung oder Ergänzung für ihn vorhersehbar oder für ihn nicht nachteilig ist.

Sofern eine Berichtigung, Änderung oder Ergänzung nicht in Betracht kommt, ist die Emittentin berechtigt, die Zertifikate unverzüglich zu kündigen, sofern die Voraussetzungen für eine Anfechtung i.S.d. § 871 des österreichischen Allgemeinen Bürgerlichen Gesetzbuchs gegenüber den Wertpapierinhabern vorliegen. Den einzelnen Wertpapierinhabern steht unter diesen Voraussetzungen ebenfalls ein Kündigungsrecht zu. Der im Fall einer Kündigung zu zahlende Kündigungsbetrag entspricht grundsätzlich dem Marktpreis eines Zertifikats, hängt aber von bestimmten weiteren Regelungen zu seiner Bestimmung ab. Um die Auswirkungen etwaiger Kursschwankungen unmittelbar vor dem Kündigungstermin auf die Festsetzung des Kündigungsbetrags zu verringern, entspricht der Marktpreis grundsätzlich dem arithmetischen Mittel der Kassakurse, die an einer bestimmten Anzahl von Bankgeschäftstagen, die dem Kündigungstermin unmittelbar vorangegangen sind, an der Wertpapierbörse, an der die Zertifikate gelistet werden, veröffentlicht wurden. Die Durchschnittsbildung ist für den Wertpapierinhaber dann nachteilig, wenn der Kassakurs am Bankgeschäftstag vor dem Kündigungstermin höher ist als das arithmetische Mittel. Der Anleger hat weiters die Möglichkeit, von der Emittentin unter bestimmten Voraussetzungen zusätzlich die Differenz zwischen dem von dem Anleger bei Erwerb der Zertifikate gezahlten Kaufpreis und einem niedrigeren Marktpreis zu verlangen, soweit dies vom Wertpapierinhaber nachgewiesen wird. Des Weiteren sollten Anleger beachten, dass sie im Fall einer Kündigung das Wiederanlagerisiko tragen.

**Änderungen der Steuergesetzgebung können die Wertpapierinhaber negativ beeinflussen.**

Steuergesetze und ihre Anwendung stehen unter dem Vorbehalt der Veränderung, gegebenenfalls auch mit rückwirkender Wirkung, welche einen nachteiligen Effekt auf den Wert der Zertifikate für den Käufer und/oder den Marktwert der Zertifikate haben können. Jede derartige Veränderung kann (i) die steuerliche Behandlung der jeweiligen Zertifikate, von welcher der Erwerber zum Zeitpunkt des Erwerbs ausgegangen ist, verändern; oder (ii) bewirken, dass die Angaben in diesem Prospekt, bezüglich der jeweiligen Steuergesetze und ihrer Anwendung in Bezug auf die Zertifikate unter dem Prospekt, in einigen oder allen Aspekten zu bestimmten Zertifikaten unrichtig oder unanwendbar werden oder den Effekt haben, dass der Prospekt keine wesentlichen steuerrechtlichen Erwägungen in Bezug auf bestimmte Zertifikate enthält. Potentielle Erwerber von Zertifikaten sollten zur Frage nach den steuerlichen Auswirkungen des Haltens von jeglichen Zertifikaten und jeglichem Geschäft in Verbindung mit jeglichem Zertifikat eigene Steuerberater in den jeweiligen Jurisdiktionen konsultieren.

**Zertifikate sind möglicherweise nicht geeignet, um Risiken abzusichern.**

Anleger in Zertifikaten sollten sich nicht auf die Möglichkeit verlassen, dass sie Risiken, die mit anderen Wertpapierpositionen verbunden sind, durch den Erwerb der Zertifikate ausschließen oder begrenzen können; Risiken, die mit diesen anderen Wertpapieren verbunden sind, können den Marktbedingungen und den Bedingungen, die auf sie Anwendung finden, unterliegen. Unter bestimmten Voraussetzungen können derartige Geschäfte nur zu einem ungünstigen Marktpreis getätigt werden, so dass dem Anleger in Zertifikaten ein finanzieller Verlust entsteht.

**Es besteht das Risiko, dass der Handel mit den Zertifikaten oder den Basiswerten ausgesetzt, unterbrochen oder beendet wird.**

Sofern die Zertifikate an einem (oder mehreren) Märkten (welche reguliert oder unreguliert sein können) gelistet sind, kann die Zulassung dieser Zertifikate – in Abhängigkeit zu den auf diese Börse anwendbaren Regeln – durch die jeweilige Börse oder eine zuständige Regulierungsbehörde bei Vorliegen verschiedener Gründe, einschließlich der Verletzung von Preisgrenzen, Verstoß gegen gesetzliche Regelungen, Eintreten von Betriebsstörungen an der Börse oder allgemein, falls es für erforderlich gehalten wird, um die Funktionsfähigkeit des Marktes zu sichern oder die Interessen der Anleger zu wahren, entweder auf Beschluss der Börse, einer Regulierungsbehörde oder auf Ersuchen der Emittentin, ausgesetzt oder unterbrochen werden. Sofern der Handel in einem Basiswert ausgesetzt, unterbrochen oder beendet wird, wird der Handel mit den entsprechenden Zertifikate ebenfalls ausgesetzt, unterbrochen oder beendet und gewöhnlich werden bestehende Aufträge zum Verkauf oder Kauf annulliert. Anleger sollten beachten, dass die Emittentin keinen Einfluss auf Aussetzungen oder Unterbrechungen des Handels hat (ausgenommen Fälle, in denen der Handel mit den Zertifikaten durch Entscheidung der Emittentin beendet wurde) und dass Anleger in jedem Fall das hiermit verbunden Risiko tragen. Insbesondere kann es sein, dass Anleger ihre Zertifikate nicht verkaufen können, sofern der Handel ausgesetzt, unterbrochen oder beendet wird, und dass die Börsenkurse dieser Zertifikate künstliche oder falsche Preise dieser Zertifikate abbilden. Schließlich, selbst wenn der Handel mit Zertifikaten oder Basiswerten ausgesetzt, unterbrochen oder beendet wird, sollten Anleger auch beachten, dass derartige Maßnahmen weder ausreichend noch angemessen noch rechtzeitig sein können, um Kursstörungen zu verhindern oder die Interessen der Anleger zu sichern; beispielsweise kann, wenn der Handel mit Zertifikaten, nachdem preissensitive Informationen bezüglich dieser Zertifikate veröffentlicht wurden, ausgesetzt wird, der Preis dieser Zertifikate bereits nachteilig beeinträchtigt worden sein. Alle diese Risiken hätten, im Falle ihres Eintretens, einen erheblichen nachteiligen Effekt für die Anleger.

**Auf Grund zukünftiger Geldentwertung (Inflation) kann sich die tatsächliche Rendite einer Anlage verringern.**

Inflationsrisiken beschreiben die Möglichkeit, dass der Wert der Vermögenswerte wie der Zertifikate oder Erträge hieraus sinken, weil Inflation die Kaufkraft einer Währung verringern. Die Inflation bewirkt eine Wertminderung der Rendite.

**Anleger müssen sich auf das Funktionieren des jeweiligen Clearing-Systems verlassen.**

Die Zertifikate werden durch verschiedene Clearing-Systeme, wie zum Beispiel die Oesterreichische Kontrollbank Aktiengesellschaft, erworben und verkauft. Die Emittentin übernimmt keine Verantwortung dafür, dass die Zertifikate tatsächlich auf das Wertpapierportfolio des Anlegers übertragen werden. Anleger müssen sich auf das Funktionieren des jeweiligen Clearing-Systems verlassen.

**Emissionsratings/Kreditratings/Ratings spiegeln möglicherweise nicht alle Risiken wider.**

Eine oder mehrere unabhängige Kreditratingagenturen könnte ein Emissionsrating der Zertifikate vergeben. Das Rating spiegelt vielleicht nicht alle Auswirkungen der Risiken im Hinblick auf Struktur, Markt, zusätzlicher Faktoren wie oben ausgeführt und anderer Faktoren, welche den Wert der Zertifikate beeinflussen könnten, wider. Ein Kreditrating ist keine Empfehlung zum Kauf, Verkauf oder Halten von Wertpapieren und kann jederzeit von der Ratingagentur abgeändert oder entzogen werden.



**Rechtliche Erwägungen im Zusammenhang mit der Anlageentscheidung können Veranlagungsmöglichkeiten einschränken.**

Die Investitionstätigkeiten bestimmter Anleger unterliegen Gesetzen und Bestimmungen für Investitionen oder der Prüfung oder Regulierung durch bestimmte Behörden. Jeder potentielle Anleger sollte seine Rechtsberater konsultieren, um festzustellen, ob und in welchem Umfang (1) die Zertifikate für ihn ein rechtlich zulässiges Investment darstellen, (2) die Zertifikate als Sicherheit für verschiedenen Arten von Kreditaufnahmen verwendet werden können und (3) andere Beschränkungen für den Erwerb oder die Verpfändung jedweder Zertifikate Anwendung finden. Finanzinstitute sollten ihre Rechtsberater oder die zuständigen Regulierungsbehörden konsultieren, um die sachgemäße Behandlung der Zertifikate unter allen anwendbaren risikoorientierten Kapitalanforderungen oder ähnlichen Regeln festzustellen.

Weiters können Anleger unter Umständen aufgrund bestimmter Haftungsausschlüsse oder Haftungseinschränkungen der Emittentin oder anderer Parteien (z.B. der Berechnungsstelle, der Zahlstelle etc.) für fahrlässige Handlungen oder Unterlassungen in Verbindung mit den Zertifikaten (oder Berechnungen hiervon) für ihnen entstandene Schäden keine (oder nur eine teilweise) Entschädigung geltend machen können. Anleger sollten sich daher selbst über diese Haftungsausschlüsse und Haftungseinschränkungen informieren und überlegen, ob diese für sie akzeptabel sind.

**Ein österreichisches Gericht kann einen Kurator für die Zertifikate bestellen, der die Interessen der Zertifikateinhaber für sie vertritt und ihre Rechte für sie ausübt, sodass die Möglichkeit der Zertifikateinhaber, ihre Rechte unter den Zertifikaten einzeln auszuüben, eingeschränkt sein kann.**

Gemäß dem österreichischen Kuratorengesetz, kann ein Kurator von einem österreichischen Gericht auf Antrag einer interessierten Partei (z.B. eines Zertifikateinhabers) oder auf Initiative des zuständigen Gerichts, für den Zweck der Vertretung der gemeinsamen Interessen der Wertpapierinhaber, bestellt werden. Insbesondere kann dies erfolgen, wenn ein Insolvenzverfahren gegen die Emittentin eingeleitet wird, in Verbindung mit jeglichen Anpassungen der Zertifikatsbedingungen oder Änderungen bezogen auf die Emittentin, oder unter ähnlichen Umständen. Falls ein Kurator bestellt wird, übt dieser die kollektiven Rechte aus und vertritt die Interessen der Wertpapierinhaber und ist berechtigt, Erklärungen für sie abzugeben, die für alle Wertpapierinhaber bindend sind. Wenn ein Kurator die Interessen der Wertpapierinhaber vertritt und ihre Rechte ausübt, kann dies den Interessen einzelner oder aller Wertpapierinhaber zugegenlaufen oder anderweitig nachteilig beeinträchtigen.

**Risiko aufgrund des U.S.-Steuer-Reportings ausländischer Finanzinstitute (Foreign Account Tax Compliance Act - FATCA).**

**Zahlungen auf die Zertifikate an die Wertpapierinhaber und die an den Zertifikaten wirtschaftlich Berechtigten, einschließlich Zahlungen von Kapital, können einer Quellensteuer in Höhe von 30 Prozent unterliegen, sofern (i) sie Steuerbescheinigungen oder Identifizierungsanforderungen (einschließlich der Abgabe einer Erklärung, auf den Schutz von Gesetzen, die eine Offenlegung solcher Informationen gegenüber einer Steuerbehörde untersagen, zu verzichten) nicht erfüllen oder (ii) es sich um Finanzinstitute handelt, die den U. S. Foreign Account Tax Compliance Act (FATCA) oder entsprechende Bestimmungen von nicht US-amerikanischen Gesetzen, einschließlich etwaiger aufgrund von FATCA oder entsprechenden Bestimmungen von nicht US-amerikanischen Gesetzen mit einer Steuerbehörde auf freiwilliger Basis geschlossener Verträge, nicht einhalten. Die Emittentin ist nicht verpflichtet, irgendwelche zusätzlichen Zahlungen mit Bezug auf solche von der Emittentin oder einer zwischengeschalteten Zahlstelle einbehaltenen Beträge zu leisten.**

Abschnitte 1471 bis 1474 des US Internal Revenue Code (der "**Code**"), aufgrund dieser Abschnitte des Code mit dem US Internal Revenue Service abgeschlossene Vereinbarungen oder ein zwischenstaatliches Abkommen zwischen den Vereinigten Staaten und einem anderen Staat zur Förderung dieser Abschnitte des Code (einschließlich nicht US-

amerikanischer Gesetze, die ein solches zwischenstaatliches Abkommen umsetzen) (gemeinsam als "**FATCA**" bezeichnet) können neue Meldepflichten begründen sowie möglicherweise eine Quellensteuer in Höhe von 30 % im Hinblick auf bestimmte Zahlungen an (i) ein Nicht-US-Finanzinstitut (ein ausländisches Finanzinstitut oder "**FFI**") (wie durch FATCA definiert)), das nicht durch Abschluss eines Vertrages mit dem IRS zum Zwecke der Übermittlung bestimmter Informationen über seine Kontoinhaber und Anleger zu einem "**Teilnehmenden FFI**" wird, es sei denn, es ist anderweitig von FATCA befreit oder gilt als FATCA-konform, oder, soweit zutreffend, hält lokale Gesetze, die im Hinblick auf ein zwischenstaatliches Abkommen mit den Vereinigten Staaten erlassen wurden ein und (ii) einen Anleger, der (soweit nicht anderweitig befreit) bestimmte Steuerbescheinigungen oder Angaben zu Eigentumsverhältnissen nicht vorlegt (oder, soweit zutreffend, einen Verzicht auf Gesetze, die die Offenlegung dieser Informationen gegenüber Steuerbehörden verbieten) (ein "**Säumiger Wertpapierinhaber**"). Es wird keine Zusicherung abgegeben, dass die Emittentin, ein Finanzintermediär oder die Zertifikate nicht den von FATCA gestellten Anforderungen unterliegen.

Einbehalte gemäß FATCA werden stufenweise ab 1. Juli 2014 für Zahlungen aus Quellen innerhalb der Vereinigten Staaten eingeführt und werden auf "**ausländische Durchlaufzahlungen**" (*foreign passthru payments*) (ein bisher nicht definierter Begriff) frühestens ab dem 1. Januar 2017 angewendet.

Die Vereinigten Staaten haben mit anderen Staaten, einschließlich Österreich, verschiedene zwischenstaatliche Abkommen (*intergovernmental agreements*) abgeschlossen (jedes ein "**IGA**"), um die Umsetzung von FATCA zu erreichen. Nach den Bestimmungen des zwischen den USA und Österreich abgeschlossenen "**Model 2**" IGA kann ein Österreichisches IGA als "**Reporting FI**" behandelt werden und unterliegt damit keinem Einbehalt gemäß FATCA betreffend Zahlungen, die es erhält. Gemäß dem IGA mit Österreich (das "**Österreichische IGA**") muss ein österreichisches FFI sich bei der IRS registrieren und sich verpflichten, die FATCA-Bestimmungen in ihrer durch das Österreichische IGA angepassten Fassung einzuhalten. Ein Reporting FI ist gemäß FATCA weiterhin verpflichtet, gegenüber dem IRS bestimmte Angaben betreffend seiner Konteninhaber und Anleger zu machen. Ferner besteht gemäß des Model 2 IGA die Möglichkeit, dass ein Reporting FI in Zukunft verpflichtet werden kann, als ein Teilnehmendes FFI Einbehalte betreffend ausländischer Durchlaufzahlungen durchzuführen.

Zum Datum dieses Prospekts hat die Emittentin sich bei der IRS registriert und ihren Status als "**Reporting Model 2 FFI**" bestätigt, um einen Einbehalt von Zahlungen an die Emittentin zu vermeiden. Gleichermaßen kann ein Finanzinstitut, Makler, Vermittler oder sonstiger Intermediär (zusammen die "**Intermediäre**"), über den ein an den Zertifikaten wirtschaftlich Berechtigter Anteile hält, zur Vermeidung der US-Quellensteuer ebenfalls einen FATCA-Vertrag abschließen.

Die Emittentin geht davon aus, dass sie die FATCA-Anforderungen einschließlich etwaig geltender IGAs erfüllt. Es wird keine Zusicherung abgegeben, dass die Emittentin immer in der Lage sein wird, die relevanten Anforderungen zu erfüllen oder dass sie oder ein Finanzintermediär, über den Zahlungen auf die Zertifikate durchgeführt werden, nicht dazu verpflichtet wären, einen FATCA-Einbehalt von Zahlungen auf die Zertifikate abzuziehen.

Falls die Emittentin oder ein Intermediär von Zahlungen auf ein Zertifikat zum Einbehalt von Quellensteuer gemäß FATCA verpflichtet ist, werden dem Gläubiger oder wirtschaftlich Berechtigten eines Zertifikats gemäß den Zertifikatsbedingungen keine Zusatzbeträge gezahlt.

FATCA ist sehr komplex und es ist unsicher, in welchem Ausmaß diese Regelungen für die Emittentin, Intermediäre und die Zertifikate anwendbar sind. Es ist möglich, dass eine Vermeidung der Quellensteuern im Rahmen von FATCA nicht innerhalb der Kontrolle der Emittentin liegt. Darüber hinaus kann nicht zugesichert werden, dass Zahlungen auf ein Zertifikat nicht dem Einbehalt gemäß FATCA unterliegen. Die vorstehenden Ausführungen basieren zum Teil auf Rechtsvorschriften, offiziellen Leitlinien und IGAs, die alle Änderungen unterliegen oder möglicherweise in wesentlich anderer Form umgesetzt werden. Daher sollten sich potenzielle Anleger von ihren eigenen Steuerberatern bezüglich der Auswirkungen von FATCA auf ihre Anlage in die Zertifikate beraten lassen.

**RUNDERLASS 230 HINWEIS. DER FOLGENDE HINWEIS BASIERT AUF DEN VERFAHRENSREGELN DES US-FINANZMINISTERIUMS VOR DEN US-FINANZBEHÖRDEN: (1) JEDWEDE DARSTELLUNG DER BESTEUERUNG IN DEN VEREINIGTEN STAATEN WURDE NICHT IN DER ABSICHT VERFASST UND KANN NICHT VOM STEUERZAHLER ZU DEM ZWECK VERWENDET WERDEN, US-STEUERSTRAFEN, DIE GEGEN DEN STEUERZAHLER GEMÄSS VERHÄNGT WERDEN KÖNNEN, ZU VERMEIDEN; (2) JEDWEDE DIESER DARSTELLUNGEN DIENST DER FÖRDERUNG UND VERMARKTUNG DER HIERIN BEHANDELTEN TRANSAKTIONEN; UND (3) JEDER STEUERZAHLER SOLLTE SICH VON EINEM UNABHÄNGIGEN STEUERBERATER AUF DER GRUNDLAGE SEINER INDIVIDUELLEN UMSTÄNDE BERATEN LASSEN.**

**Die Zertifikate können nach Eintritt eines bestimmten Auslöse-Ereignisses der Abschreibung oder Umwandlung in Eigenkapital unterliegen, wodurch die Wertpapierinhaber einen Teil oder die Gesamtheit ihrer Anlage in die Zertifikate verlieren können (gesetzliche Verlustbeteiligung).**

Am 12.6.2014 wurde die BRRD veröffentlicht.

Ziel der BRRD ist insbesondere, Behörden einheitliche und wirksame Instrumente und Befugnisse an die Hand zu geben, um Banken Krisen durch Präventivmaßnahmen abzuwenden, um die Finanzstabilität zu erhalten und das Risiko, dass der Steuerzahler für Verluste aufkommen muss, so gering wie möglich zu halten.

Nach der BRRD soll den "Abwicklungsbehörden" die Befugnis zur Abschreibung und Umwandlung erhalten, um unter anderem sicherzustellen, dass die relevanten Kapitalinstrumente (einschließlich Tier 2 Kapitalinstrumente wie nachrangige Schuldverschreibungen) zum Zeitpunkt der Nichttragfähigkeit (wie unten definiert) des emittierenden Instituts Verluste vollständig absorbieren. Nach BRRD können die Abwicklungsbehörden verpflichtet sein, solche Kapitalinstrumente dauerhaft abzuschreiben oder sie zur Gänze in CET 1 umzuwandeln, und zwar zum Zeitpunkt der Nichttragfähigkeit und bevor andere etwaige Abwicklungsmaßnahmen ergriffen wurden (gesetzliche Verlustbeteiligung). Nach der BRRD sollen die Abwicklungsbehörden unter anderem die Befugnis zur Abschreibung oder Umwandlung in Bezug auf die gesetzliche Verlustbeteiligung derart ausüben, dass (i) CET 1 zuerst im Verhältnis zu den relevanten Verlusten abgeschrieben werden und (ii) danach, sofern CET 1 nicht ausreichend vorhanden ist, um die relevanten Verluste abzudecken, der Kapitalbetrag des AT 1 reduziert wird, (iii) danach, sofern CET 1 und AT 1 nicht ausreichend vorhanden ist, um die relevanten Verluste abzudecken, der Kapitalbetrag des Tier 2 reduziert wird; (iv) danach, wenn CET 1 und AT 1 und Tier 2 nicht ausreichend sind, um die relevanten Verluste abzudecken, andere nachrangige Verbindlichkeiten, und (v) falls immer noch nicht ausreichend, nicht nachrangige Verbindlichkeiten (*senior debt*) (wie die Zertifikate) dauerhaft bis auf Null reduziert werden.

Die BRRD sieht vor, dass eine Abschreibung oder Umwandlung grundsätzlich der gewöhnlichen Aufteilung von Verlusten und Rangordnung in einer Insolvenz des relevanten Instituts entsprechen würde. Als Absicherung sieht die BRRD vor, dass kein Gläubiger durch eine solche Maßnahme in eine schlechtere Position als in einem gewöhnlichen Insolvenzverfahren gebracht werden darf.

Für die Zwecke der gesetzlichen Verlustbeteiligung ist der Zeitpunkt der Nichttragfähigkeit gemäß der BRRD der Zeitpunkt, an dem die folgenden Voraussetzungen erfüllt sind:

1. die zuständige Behörde stellt fest, dass die Institution die Voraussetzungen für die Abwicklung erfüllt, dh:
  - (a) die zuständige Behörde oder Abwicklungsbehörde stellt fest, dass das Institut scheitern oder wahrscheinlich scheitern wird, dh:

- wenn ein Institut gegen die an eine dauerhafte Zulassung geknüpften Eigenkapitalanforderungen in einer Weise verstößt oder in naher Zukunft verstoßen wird, die den Entzug der Zulassung durch die zuständige Behörde rechtfertigen würde; oder
  - wenn die Vermögenswerte eines Instituts die Höhe seiner Verbindlichkeiten unterschreiten, oder dies in naher Zukunft der Fall sein wird; oder
  - wenn ein Institut nicht in der Lage ist, seine Verbindlichkeiten bei Fälligkeit zu begleichen, oder dies zumindest in naher Zukunft der Fall sein wird; oder
  - wenn ein Institut eine außerordentliche finanzielle Unterstützung aus öffentlichen Mitteln benötigt;
- (b) wenn keine begründeten Aussichten bestehen, dass alternative Maßnahmen durch den privaten Sektor oder durch die Aufsichtsbehörde, abgesehen von einer Abwicklungsmaßnahme, die Abwicklung des Institutes innerhalb eines angemessenen Zeitraumes verhindern könnten; und
- (c) eine Abwicklungsmaßnahme aufgrund des öffentlichen Interesses erforderlich ist.
2. Die zuständige Behörde stellt fest, dass das Institut nicht mehr tragfähig ist, es sei denn, die relevanten Kapitalinstrumente werden abgeschrieben; oder
3. Eine außerordentliche Unterstützung aus öffentlichen Mitteln durch den relevanten EU-Mitgliedstaat wäre erforderlich und ohne diese Unterstützung würde die relevante Behörde feststellen, dass das Institut nicht mehr tragfähig ist.

Gemäß der BRRD stellt die gesamte oder teilweise Abschreibung oder Umwandlung des Nominalbetrages von Instrumenten, einschließlich etwaiger unter den Instrumenten angefallener, aber noch nicht ausgezahlter Zinsen, gemäß dem *bail-in* Instrument, dem Abschreibungs- oder Umwandlungsinstrument keinen Ausfall nach den Bestimmungen des relevanten Kapitalinstruments dar. Dementsprechend wären sämtliche so abgeschriebenen oder umgewandelten Beträge unwiderruflich verloren und die aus solchen Kapitalinstrumenten resultierenden Rechte der Gläubiger wären erloschen, unabhängig davon, ob die finanzielle Lage des Kreditinstituts wiederhergestellt wird oder nicht. Gemäß der BRRD würden die Abwicklungsbehörden aber sicherstellen, dass Gläubiger, wenn die Abwicklungsinstrumente angewendet werden, keine höheren Verluste erleiden als solche, die sie bei einer Abwicklung in einem normalen Insolvenzverfahren über das Kreditinstitut tragen müssten.

Die Abwicklungsbehörden können auch die Fälligkeit bestimmter Instrumente oder den Zinsbetrag, der unter diesen Instrumenten zahlbar ist, oder den Tag, an dem der Zinsbetrag zahlbar wird, ändern, unter anderem durch Aufschub der Zahlung für einen vorübergehenden Zeitraum.

Die BRRD sieht vor, dass die EU-Mitgliedstaaten verpflichtet sind, ihre einschlägigen nationalen Rechts- und Verwaltungsvorschriften bis zum 31.12.2014 an die BRRD anzupassen. Diese Bestimmungen (einschließlich der Abschreibung oder Umwandlung von Kapitalinstrumenten) sind von den EU-Mitgliedstaaten ab dem 01.01.2015, jene zu den *bail-in* Instrumenten jedoch spätestens ab 1.1.2016 anzuwenden.

Darüber hinaus sieht die BRRD nur einen Mindestkatalog an Abwicklungsinstrumenten vor. Es bleibt daher den EU-Mitgliedsstaaten unbenommen, sich zusätzliche, spezifisch nationale Instrumente und Befugnisse zum Umgang mit scheiternden Kreditinstituten vorzubehalten, sofern diese zusätzlichen Befugnisse in Einklang mit den Prinzipien und Zielen der Rahmenbedingungen der BRRD stehen und nicht ein Hindernis für eine effektive Gruppenabwicklung darstellen. Das österreichische Parlament könnte auch beschließen,

dass die BRRD oder andere Vorschriften, die ähnliche Abschreibungen (oder Umwandlungen) und/oder Abwicklungsinstrumente vorsehen, bereits früher in Kraft gesetzt werden, etwa durch Einfügen solcher Bestimmungen in das Bankeninterventions- und restrukturierungsgesetz ("**BIRG**"), das am 01.01.2014 in Kraft trat. Das BIRG orientiert sich zwar an der BRRD; das oben erwähnte Abschreibungs- (oder Umwandlungs)-Instrument und das *bail-in* Instrument sind derzeit darin jedoch nicht enthalten.

Solche rechtlichen Vorschriften und/oder aufsichtsbehördlichen Maßnahmen können die Rechte der Anleger maßgeblich beeinflussen, im Falle der Nicht-Tragfähigkeit oder der Abwicklung der Emittentin zu einem Verlust des gesamten in die Zertifikate investierten Kapitals führen und schon vor der Nicht-Tragfähigkeit oder Abwicklung der Emittentin einen negativen Einfluss auf den Marktwert der Zertifikate haben. Weiters könnten Anzeichen, die darauf hinweisen, dass die Zertifikate einer gesetzlichen Verlustbeteiligung unterliegen, einen negativen Einfluss auf den Marktwert der Zertifikate haben.

Da das Abschreibungs- (oder das Umwandlungs-) sowie das *bail-in*-Instrument, die in der BRRD vorgesehen sind, noch nicht in Österreich umgesetzt wurden, bleibt es unklar, ob diese gesetzliche Verlustbeteiligung auf Instrumente (wie die Zertifikate) anwendbar sein wird, die zu diesem Zeitpunkt bereits begeben worden sind oder bestimmte Übergangsregelungen anwendbar sein werden. Sollten solche Bestimmungen für die Zertifikate anwendbar sein, können die Zertifikate einer Abschreibung oder Umwandlung in CET 1 bei Eintritt eines relevanten Auslöse-Ereignisses unterliegen, wodurch die Gläubiger einen Teil oder die Gesamtheit ihr Investment in die Zertifikate verlieren könnten. Die Ausübung solcher Befugnisse oder Vorschläge oder Erwartungen könnte daher einen negativen Einfluss auf den Preis oder Wert der Zertifikate haben.

## **Risikofaktoren in Bezug auf bestimmte Arten von Zertifikaten**

### **Produkt Nr. 1: Risikofaktoren im Hinblick auf Bonus bzw. Capped Bonus Zertifikate**

*Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind mit einer festgelegten Laufzeitbegrenzung ausgestattet (Closed End), d.h. sie haben eine bestimmte Laufzeit. Die Emittentin kann aber berechtigt sein, die Zertifikate außerordentlich zu kündigen, wenn z.B. eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Dadurch wird die Laufzeit der Zertifikate vorzeitig beendet. Es ist zu beachten, dass die Emittentin ihr außerordentliches Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen. Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist.

Ein Kündigungsrecht des Wertpapierinhabers besteht grundsätzlich nicht.

*Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die Laufzeit der Zertifikate durch eine außerordentliche Kündigung der Emittentin beendet werden kann. In diesem Fall trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer außerordentlichen Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer außerordentlichen Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

*Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Ein so genanntes Barriere-Ereignis tritt dann ein, wenn der Beobachtungskurs während des Beobachtungszeitraums die Barriere erreicht oder unterschreitet. Wertpapierinhaber sollten beachten, dass im Fall des Eintritts eines Barriere-Ereignisses der Anspruch auf die Mindestrückzahlung in Höhe des Bonusbetrags erlischt und das Bonus Zertifikat bzw. Capped Bonus mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar ist, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag wertlos ist.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Zertifikats.

*Im Fall von Capped Bonus Zertifikaten ist der Auszahlungsbetrag auf den Höchstbetrag begrenzt*

Unabhängig davon, ob ein Barriere-Ereignis eingetreten ist oder nicht, entspricht der Auszahlungsbetrag maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.

#### **Produkt Nr. 2: Risikofaktoren im Hinblick auf Discount Zertifikate**

Zusätzlich zu den unter "Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin" und "Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin" zu Produkt Nr. 1 beschriebenen Risikofaktoren finden die folgenden speziellen Risikofaktoren auf die Zertifikate Anwendung:

*Auszahlungsbetrag ist auf Höchstbetrag begrenzt*

Der Auszahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.

*Risiko eines Totalverlusts*

Unterhalb des Cap sind Discount Zertifikat mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag wertlos ist.

#### **Produkt Nr. 3: Risikofaktoren im Hinblick auf Open End Partizipations- und Open End Index-Zertifikate**

*Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (*Open End*). Die Laufzeit der Zertifikate endet entweder (i) durch Ausübung der Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Die Zertifikate können während der Laufzeit durch den Wertpapierinhaber während einer bestimmten Ausübungsfrist durch Abgabe einer Ausübungserklärung ausgeübt werden. Der Auszahlungsbetrag bei ausgeübten Zertifikaten wird auf Grundlage des Referenzpreises des Basiswerts an dem betreffenden Ausübungstermin berechnet.

Die Emittentin ist darüber hinaus berechtigt, die Zertifikate außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen.

Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Wertpapierinhaber nicht darauf vertrauen, dass die Zertifikate eine unbegrenzte Laufzeit haben. Wertpapierinhaber sollten daher nicht darauf vertrauen, eine Position in den Zertifikaten über einen längeren Zeitraum halten zu können. Wertpapierinhaber können weiterhin nicht darauf vertrauen, dass sich der Kurs des Basiswerts rechtzeitig vor einem Kündigungstermin in eine für sie positive Richtung entwickelt.

#### *Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die grundsätzlich unbegrenzte Laufzeit der Zertifikate durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

#### *Risiko im Hinblick auf Open End Partizipations-Zertifikate mit Transaktionsgebühr*

Im Fall von Open End Partizipations-Zertifikaten auf Futures Kontrakte können zusätzlich zur Deckung der durch den Rollover (siehe dazu unter "Risikofaktoren in Verbindung mit Futures Kontrakten als Basiswert - Rollover" im Abschnitt 14.2.2.3 Risikofaktoren in Bezug auf bestimmte Arten von Basiswerten) entstehenden Transaktionskosten eine "Transaktionsgebühr" berechnet werden, deren Höhe sich aus einer in der Referenzwährung ausgedrückten Zahl pro Futures Kontrakt ergibt. Die Umlegung dieser Transaktionskosten auf das Bezugsverhältnis führt zu einem entsprechenden Wertverlust der Zertifikate, wenn die Transaktionsgebühr größer als null ist. Zu berücksichtigen ist weiterhin, dass die Transaktionsgebühr sowohl im Zusammenhang mit dem Kauf als auch im Zusammenhang mit dem Verkauf der Futures Kontrakte bei einem Rollover anfällt und damit bei der Ermittlung des angepassten Bezugsverhältnisses zweimal zu berücksichtigen ist.

#### *Risiko des Totalverlusts*

Open End Partizipations- und Open End Index-Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen und Transaktionsgebühren, sofern anwendbar) vergleichbar, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Finalen Bewertungstag (beispielsweise im Fall einer Kündigung durch Emittentin) wertlos ist.

#### **Produkt Nr. 4: Risikofaktoren im Hinblick auf Reverse Bonus bzw. Capped Reverse Bonus Zertifikaten**

Zusätzlich zu den unter "Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin" und "Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin" zu Produkt Nr. 1 beschriebenen Risikofaktoren finden die folgenden speziellen Risikofaktoren auf die Zertifikate Anwendung:

### *Risiken im Hinblick auf die Wertentwicklung von Reverse Bonus Zertifikaten bzw. Capped Reverse Bonus Zertifikaten aufgrund der Reverse-Struktur*

Bei Reverse Bonus Zertifikaten ist die Entwicklung des Werts des Zertifikats umgekehrt abhängig von der Entwicklung des Basiswerts. Im Gegensatz zu üblichen Partizipationswertpapieren, die eine sog. Long Position verbrieften (fingierter "Kauf" des Basiswerts), verbrieften Reverse Bonus Zertifikate eine sog. Short Position (fingierter "Leerverkauf" des Basiswerts). Das bedeutet, dass diese Zertifikate eine positive Beteiligung des Wertpapierinhabers an einem Wertverlust des Basiswerts ermöglichen. **Entsprechend verliert ein Reverse Bonus Zertifikate regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Zertifikaten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt.**

### *Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Im Fall von Reverse-Strukturen tritt ein so genanntes Barriere-Ereignis dann ein, wenn der Beobachtungskurs die Barriere erreicht oder überschreitet. Wertpapierinhaber sollten beachten, dass im Fall des Eintritts eines Barriere-Ereignisses, der Anspruch auf die Mindestrückzahlung erlischt und der Wertpapierinhaber 1:1, im Fall von Capped Reverse Bonus Zertifikaten bis zur Höhe des Caps, an der negativen Entwicklung des Basiswerts partizipiert. In diesem Fall besteht ein Totalverlustrisiko für den Wertpapierinhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag dem Reverselevel entspricht oder dieses überschreitet.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Zertifikats.

### *Im Fall von Capped Reverse Bonus Zertifikaten ist der Auszahlungsbetrag auf den Höchstbetrag begrenzt*

Der Auszahlungsbetrag bei Capped Reverse Bonus Zertifikaten entspricht maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden negativen Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Reverse Bonus Zertifikaten nach oben hin beschränkt ist.

### *Beschränkte Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps*

Wertpapierinhaber sollten beachten, dass die Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps beschränkt ist, da die negative Entwicklung des Basiswerts nicht mehr als 100% betragen kann, d.h. bei Reverse Bonus Zertifikaten entspricht der Auszahlungsbetrag maximal dem Reverselevel (unter Berücksichtigung des Bezugsverhältnisses und gegebenenfalls umgerechnet in die Auszahlungswährung).

Bei Reverse Bonus Zertifikaten besteht zwischen dem wirtschaftlichen Wert der Zertifikate und dem wirtschaftlichen Wert des Basiswerts dementsprechend folgender grundsätzlicher Zusammenhang: **Ein Reverse Bonus Zertifikat verliert regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Zertifikaten maßgeblicher Faktoren) dann an Wert, wenn der Wert des Basiswerts steigt. Dementsprechend kann es bei dem Wertpapierinhaber zu einem Totalverlust des eingesetzten Kapitals kommen, wenn der Kurs des Basiswerts entsprechend steigt und das Reverse-Level erreicht oder übersteigt.**

### **Produkt Nr. 5. Risikofaktoren im Hinblick auf Partizipations- und Index-Zertifikate**

Zusätzlich zu den unter "Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin" und "Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin" zu Produkt Nr. 1 beschriebenen Risikofaktoren finden die folgenden speziellen Risikofaktoren auf die Zertifikate Anwendung:



### *Risiko im Hinblick auf Partizipations-Zertifikate mit Managementgebühr*

Sofern im Fall von Partizipations-Zertifikaten eine Managementgebühr vorgesehen ist, sollten Wertpapierinhaber beachten, dass die Managementgebühr in der Abhängigkeit von der Haltedauer der Wertpapiere den Betrag mindert, den ein Wertpapierinhaber am Ende der Laufzeit erhält und dass die Managementgebühr darüber hinaus auch während der Laufzeit der Wertpapiere die Preisbildung der Wertpapiere im Sekundärmarkt negativ beeinflusst.

### *Risiko eines Totalverlusts*

Partizipations- und Index-Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Finalen Bewertungstag wertlos ist.

### **Produkt Nr. 6. Risikofaktoren im Hinblick auf Twin Win Zertifikate**

Zusätzlich zu den unter "Risikofaktoren im Hinblick auf die begrenzte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin" und "Rendite- und Wiederanlagerisiko bei außerordentlicher Kündigung durch die Emittentin" zu Produkt Nr. 1 beschriebenen Risikofaktoren finden die folgenden speziellen Risikofaktoren auf die Zertifikate Anwendung:

### *Risiko eines Totalverlusts im Fall eines Barriere-Ereignisses*

Wertpapierinhaber sollten beachten, dass im Fall, dass ein Barriere-Ereignis eingetreten ist, das Twin Win Zertifikat mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar ist, mit der Folge, dass der Wertpapierinhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Wertpapierinhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Finalen Bewertungstag wertlos ist.

Ein wichtiger Bestimmungsfaktor hinsichtlich der Wahrscheinlichkeit des Eintritts eines Barriere-Ereignisses ist die Volatilität des Basiswerts. Unter dem Begriff "**Volatilität**" versteht man die Schwankungsbreite bzw. Kursbeweglichkeit des Basiswerts. Je höher die Volatilität eines Basiswerts ist, desto höher ist für den Wertpapierinhaber das Risiko, dass die Barriere verletzt wird. Steigt die Wahrscheinlichkeit der Verletzung der Barriere, führt dies tendenziell zu einem fallenden Preis des Zertifikats.

*Im Fall von Capped Twin Win Zertifikaten ist der Auszahlungsbetrag auf den Höchstbetrag begrenzt*

Unabhängig davon, ob ein Barriere-Ereignis eingetreten ist oder nicht, entspricht der Auszahlungsbetrag maximal dem Höchstbetrag. Das bedeutet, der Wertpapierinhaber partizipiert nicht an einer über den Cap hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Twin Win Zertifikaten nach oben hin beschränkt ist.

### **Produkt Nr. 7. Risikofaktoren im Hinblick auf Faktor Zertifikate**

#### *Risiko von Anlagen in gehebelten Basiswerten*

Im Unterschied zu anderen Open End Partizipations-Zertifikaten sind Faktor Zertifikate gehebelt.

Anleger sollten insbesondere beachten, dass bei Faktor Zertifikaten die tägliche Wertentwicklung des Basiswerts mit dem anwendbaren Hebelfaktor gehebelt wird, d. h. positive und negative Bewegungen des Basiswerts haben einen unverhältnismäßigen Einfluss auf den Wert des Zertifikats. Dies bedeutet, dass die Festsetzung des Hebelfaktors gleichzeitig auch die Höhe des Risikos bestimmt. Je höher der Hebel, desto höher ist auch

das Risiko. **Es ist zu beachten, dass die Preisentwicklung von Faktor Zertifikaten völlig unabhängig von der Kursentwicklung des Basiswerts sein kann.**

Im Fall, dass der Kurs des Basiswerts erheblich fällt, kann der Wert des Zertifikats aufgrund des Hebelfaktors auf einen sehr geringen Wert fallen. Zwar führen dann alle späteren Kursgewinne des Basiswerts zu Wertsteigerungen des Zertifikats. Allerdings ist dann das Ausgangsniveau für die Werterholung des Zertifikats sehr niedrig, so dass sich erhebliche Kursgewinne des Basiswerts nur geringfügig auf die Erholung des Preises des Zertifikats auswirken.

Die Faktor Zertifikate sehen eine Art Anpassungslevel (Stop-Loss Barriere) vor, das Anleger vor einem Totalverlust ihres Investments schützen soll. Dennoch ist es möglich, dass ein solches Anpassungslevel unter ungünstigen Umständen Anleger nicht davor schützt, untertägig einen Verlust zu erleiden, der einem Totalverlust des investierten Kapitals nahe kommt.

**Kapitalmärkte unterliegen in der Regel über längere Zeiträume Schwankungen. Aufgrund der Konstruktion der Faktor Zertifikate können diese Schwankungen einen erheblichen negativen Einfluss auf die Wertentwicklung der Zertifikate haben. Faktor Zertifikate eignen sich nicht für eine längerfristige Anlage und bieten sich nicht als Alternative gegenüber einem Direktinvestment an in den Basiswert selbst an, da die Entwicklung der Täglichen Gehebelten Wertentwicklung und damit der Wert der Faktor Zertifikate über einen längeren Zeitraum wesentlich von der Entwicklung des Wertes des Basiswerts selbst abweichen kann.**

*Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Zertifikate bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin*

Die Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (*Open End*). Die Laufzeit der Zertifikate endet entweder (i) durch Ausübung der Zertifikate durch die Wertpapierinhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.

Die Zertifikate können während der Laufzeit durch den Wertpapierinhaber während einer bestimmten Ausübungsfrist durch Abgabe einer Ausübungserklärung ausgeübt werden. Der Auszahlungsbetrag bei ausgeübten Zertifikaten wird auf Grundlage der täglichen Wertentwicklung des Basiswerts an dem betreffenden Ausübungstag berechnet.

Die Emittentin ist darüber hinaus berechtigt, die Zertifikate außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Weiteres Störungsereignis vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bindungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Wertpapierinhaber unter Umständen keine Möglichkeit mehr hat, sein Zertifikat am Sekundärmarkt zu verkaufen.

Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Wertpapierinhaber nicht darauf vertrauen, dass die Zertifikate eine unbegrenzte Laufzeit haben. Wertpapierinhaber sollten daher nicht darauf vertrauen, eine Position in den Zertifikaten über einen längeren Zeitraum halten zu können.

*Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin*

Wertpapierinhaber sollten beachten, dass die grundsätzlich unbegrenzte Laufzeit der Zertifikate durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Wertpapierinhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Zertifikate aufgrund der Laufzeitbeendigung

nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Wertpapierinhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Zertifikats vorlagen.

#### *Risiko im Hinblick auf Faktor Zertifikate mit Transaktionsgebühr*

Im Fall von Faktor Zertifikaten auf Futures Kontrakte kann zusätzlich zu den zur Deckung der durch den Rollover (siehe dazu unter "Risikofaktoren in Verbindung mit Futures Kontrakten als Basiswert - Rollover" im Abschnitt 14.2.2.3 Risikofaktoren in Bezug auf bestimmte Arten von Basiswerten) entstehenden Transaktionskosten eine "Transaktionsgebühr" berechnet werden, deren Höhe sich aus einer in der Referenzwährung ausgedrückten Zahl pro Futures Kontrakt ergibt. Die Umlegung dieser Transaktionskosten auf das Bezugsverhältnis führt zu einem entsprechenden Wertverlust der Zertifikate, wenn die Transaktionsgebühr größer als null ist. Zu berücksichtigen ist weiterhin, dass die Transaktionsgebühr sowohl im Zusammenhang mit dem Kauf als auch im Zusammenhang mit dem Verkauf der Futures Kontrakte bei einem Rollover anfällt.

#### *Risiko des Totalverlusts*

Im schlechtesten Fall kann es bei Faktor Zertifikaten zum Totalverlust des eingesetzten Kapitals kommen. Dies ist jedenfalls dann der Fall, wenn der Referenzpreis des Basiswerts am Finalen Bewertungstag null beträgt.

### **Risikofaktoren in Bezug auf bestimmte Arten von Basiswerten**

**Je nachdem welcher Basiswert bzw. welche Basiswerte den Zertifikaten zugrunde liegen, sind die Anleger weiteren Risiken ausgesetzt, welche sich aus der Art des Basiswerts und der Verhaltensweise von dessen Marktpreisen ergeben, da der Auszahlungsbetrag, den ein Anleger erhält, von der Wertentwicklung des Basiswerts abhängt. Die in diesem Programm vorgesehenen Basiswerte unterscheiden sich signifikant in ihrer typischen Preisvolatilität. Anleger sollte nur in die Zertifikate investieren, sofern sie auch mit dem jeweiligen Basiswert vertraut sind und ein umfassendes Verständnis bezüglich der Art des Basiswerts als solchem und der Markt- und anderweitigen Regeln des Basiswerts haben.**

#### **Risikofaktoren in Verbindung mit Körben als Basiswert**

*Faktoren, die sich ungünstig auf die Wertentwicklung des Korbes auswirken, beeinträchtigen auch den Wert und den Auszahlungsbetrag der Zertifikate*

Ein Korb als Basiswert setzt sich aus den in den Wertpapierbedingungen genannten Korbbestandteilen (Aktien) zusammen. Die einzelnen Korbbestandteile können je nach Ausstattung im Korb gleichgewichtet sein oder unterschiedliche Gewichtungsfaktoren aufweisen. Grundsätzlich gilt, je kleiner ein Gewichtungsfaktor eines Korbbestandteils ist, desto geringeren Einfluss hat die Kursentwicklung des jeweiligen Korbbestandteils auf die Wertentwicklung des gesamten Korbes. Der jeweilige Wert des Korbes wird auf Grundlage der Kurse der einzelnen Korbbestandteile und des Gewichtungsfaktors berechnet, der dem jeweiligen Korbbestandteil zugeordnet ist.

Im Fall einer hohen Korrelation der Wertentwicklung der einzelnen Korbbestandteile ist davon auszugehen, dass sich bei einer negativen Wertentwicklung eines Korbbestandteils der Wert des gesamten Korbes negativ entwickelt. Anleger sollten nicht darauf vertrauen, dass im Fall einer hohen Korrelation durch die Streuung in mehrere Korbbestandteile ein ausgleichender Effekt eintritt.

Unter der "Korrelation der Korbbestandteile" versteht man – vereinfachend ausgedrückt – den Grad der Abhängigkeit der Wertentwicklung der Korbbestandteile voneinander. Die Korrelation nimmt einen Wert zwischen '-1' und '+1' an, wobei eine Korrelation von '+1', d.h. eine hohe positive Korrelation, bedeutet, dass die Wertentwicklungen der Korbbestandteile immer gleichgerichtet sind. Bei einer Korrelation von '-1', d. h. einer hohen negativen

Korrelation, bewegt sich die Wertentwicklung der Korbbestandteile immer genau entgegengesetzt. Eine Korrelation von '0' besagt, dass es nicht möglich ist, eine Aussage über den Zusammenhang der Wertentwicklung der Korbbestandteile zu treffen. Stammen bei Aktien als Korbbestandteilen z. B. sämtliche Aktien aus derselben Branche und demselben Land, so ist generell von einer hohen positiven Korrelation auszugehen. Die Korrelation kann aber beispielsweise sinken, wenn sich die Aktiengesellschaften, deren Aktien Korbbestandteil sind, in starker Konkurrenz um Marktanteile und dieselben Absatzmärkte befinden.

Die Emittentin ist berechtigt, die bei Auflegung der Wertpapiere festgelegte Zusammensetzung des Korbes unter bestimmten Umständen anzupassen. Daher können Anleger nicht davon ausgehen, dass die Zusammensetzung des Korbes bzw. die Gewichtung der einzelnen Korbbestandteile während der Laufzeit der Wertpapiere identisch bleibt.

### **Risikofaktoren in Verbindung mit Indizes als Basiswert**

*Faktoren, die sich ungünstig auf die Wertentwicklung des Index auswirken, beeinträchtigen auch den Wert und den Auszahlungsbetrag der Zertifikate*

Bei auf Indizes bezogenen Zertifikaten hängt die Höhe des Auszahlungsbetrags von der Wertentwicklung des Index ab. Risiken des Index sind damit auch Risiken der Zertifikate. Die Wertentwicklung des Index hängt wiederum von den einzelnen Indexbestandteilen ab, aus denen sich der jeweilige Index zusammensetzt. Aktienindizes bestehen aus einem synthetischen Aktienportfolio und als solchem hängt die Entwicklung eines Index sowohl von den dem Index zugrundeliegenden makroökonomischen Faktoren, wie zum Beispiel Zinsen und Preisniveaus an den Kapitalmärkten, Währungsentwicklungen, politische Faktoren, als auch unternehmensspezifischen Faktoren, wie die Ertragslage, Marktposition, Risikolage, Zusammensetzung der Aktionärsstruktur und Ausschüttungspolitik, ab. Während der Laufzeit kann der Marktwert der Zertifikate jedoch auch von der Wertentwicklung des Index bzw. der Indexbestandteile abweichen, da neben weiteren Faktoren zum Beispiel die Korrelationen, die Volatilitäten, das Zinsniveau und z.B. im Fall von Performanceindizes auch die Wiederanlage von Dividendenzahlungen in Bezug auf die Indexbestandteile Einfluss auf die Preisentwicklung der Zertifikate haben können.

*Die Emittentin hat keinerlei Einfluss auf die Existenz, Zusammensetzung und die Berechnung des Index*

Es ist zu beachten, dass der Index-Sponsor eines Index Bestandteile dieses Index hinzufügen, löschen oder austauschen kann oder methodologische Änderungen vornehmen kann, die die Gewichtung einer oder mehrerer Bestandteile verändern können. Die Veränderung von Bestandteilen eines Index kann die Gewichtung dieses Index beeinflussen, da sich ein neu hinzugefügtes Unternehmen erheblich schlechter oder besser als das ersetzte Unternehmen entwickeln kann, wodurch wiederum die Zahlungen der Emittentin an die Käufer der Zertifikate beeinflusst werden können. Der Index-Sponsor eines solchen Index kann auch die Berechnung oder Verbreitung dieses Index ändern, einstellen oder aussetzen. Der Index-Sponsor eines Index ist an dem Angebot und Verkauf der Zertifikate nicht beteiligt und hat keine Verpflichtung gegenüber den Käufern dieser Zertifikate. Der Index-Sponsor eines Index kann Handlungen in Bezug auf diesen Index ohne Rücksicht auf die Interessen der Käufer der Zertifikate vornehmen und jede dieser Handlungen kann den Marktwert der Zertifikate nachteilig beeinträchtigen.

*Sich auf einen Kurs-Index beziehende Zertifikate berücksichtigen keine Dividenden und sonstige Ausschüttungen, welche in Bezug auf die Indexbestandteile gezahlt werden, da diese nicht in dem Kurs eines solchen Index reflektiert werden*

Die für die Zusammensetzung und Berechnung des jeweiligen zugrundeliegenden Index anwendbaren Regeln können vorschreiben, dass die auf seine Bestandteile ausgeschütteten Dividenden nicht zu einem Anstieg des Indexstands führen, beispielsweise wenn es sich um einen "Preis" Index handelt, was zu einem Rückgang des Indexstands führen kann, obgleich alle anderen Umstände unverändert bleiben. Daher partizipieren die Käufer von Zertifikaten in den Fällen, in denen der Basiswert zu diesem Typ von Index gehört, nicht an Dividenden oder

anderen Ausschüttungen, die auf die im Index enthaltenen Bestandteile gezahlt werden. Selbst wenn die Regeln des jeweiligen zugrundeliegenden Index es vorsehen, dass ausgeschüttete Dividenden oder andere Ausschüttungen aus den Bestandteilen in den Index reinvestiert und daher zu einem Anstieg seiner der Gewichtung führen, kann es unter bestimmten Umständen vorkommen, dass Dividenden oder andere Ausschüttungen nicht vollständig in diesen Index reinvestiert werden.

*Der Index-Sponsor tätigt keine den Wert des Index beeinflussenden Aktivitäten und gibt keine Anlageempfehlungen in Bezug auf den Index*

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Die Wertpapierinhaber haben keine Ansprüche in Bezug auf die dem Index zugrunde liegenden Indexbestandteile

Auch wenn die Höhe der auf die Zertifikate zu leistende Zahlung maßgeblich von der Wertentwicklung des zugrunde liegenden Index abhängt, begründen die Zertifikate keine Rückgriffsrechte gegenüber den Emittenten der dem Index zugrundeliegenden Aktien.

### **Risikofaktoren in Verbindung mit Aktien als Basiswert**

*Faktoren, die sich ungünstig auf die Wertentwicklung der Aktien auswirken, beeinträchtigen auch den Wert und den Auszahlungsbetrag der Zertifikate*

Maßgebend für die Entwicklung des Preises der Zertifikate ist die Entwicklung des Aktienkurses. Die Entwicklung des Aktienkurses lässt sich nicht vorhersagen und wird beeinflusst durch makroökonomische Faktoren, wie z.B. des Zinssatzes oder des Kursniveaus an den Kapitalmärkten, Währungsentwicklungen, politischen Gegebenheiten, wie auch durch unternehmensspezifische Faktoren wie z.B. Ertragslage, Marktposition, Risikosituation, Aktionärsstruktur und Ausschüttungspolitik.

*Sich auf Aktien beziehende Zertifikate berücksichtigen insbesondere keine Dividenden und sonstige Ausschüttungen, welche in Bezug auf die Aktien gezahlt werden*

Erwerber der Zertifikate erhalten keine Dividenden oder sonstigen Ausschüttungen, die auf, als Basiswert dienende, Aktien gezahlt werden. Die Rendite aus den Zertifikaten wird daher nicht der Rendite entsprechen, den ein Erwerber erzielt hätte, wenn er oder sie die Aktien tatsächlich besessen hätte und Dividenden auf sie erhalten hätte. Ebenso stehen den Wertpapierinhabern keine Stimmrechte in Bezug auf die Aktie zu.

*Wertpapierinhaber haben keine Ansprüche gegenüber der Aktienemittentin*

Auch wenn die Rückzahlung der Zertifikate ganz maßgeblich von der Wertentwicklung der zugrundeliegenden Aktie abhängt, begründen die Zertifikate keinerlei Rückgriffsrechte oder sonstige Ansprüche gegenüber dem Emittenten der den Zertifikaten zugrunde liegenden Aktien.

### **Risikofaktoren in Verbindung mit Währungs-Wechselkursen als Basiswert**

Währungs-Wechselkurse geben das Wertverhältnis einer bestimmten Währung zu einer anderen Währung an. Im internationalen Devisenhandel, in dem eine bestimmte Währung gegen eine andere gehandelt wird, bezeichnet man die Währung, die gehandelt wird, als "Handelswährung", während die Währung, die den Preis für die Handelswährung angibt, als

"Referenzwährung" bezeichnet wird. Beispielhaft bedeutet daher der Wechselkurs "EUR/USD 1,2575", dass für den Kauf von einem Euro (= Handelswährung) 1,2575 USD (= Referenzwährung) zu zahlen sind. Ein Anstieg dieses Wechselkurses bedeutet daher einen Anstieg des Euro gegenüber dem US-Dollar. Umgekehrt bedeutet der Wechselkurs "USD/EUR 0,8245", dass für den Kauf von einem US-Dollar 0,8245 EUR zu zahlen sind. Ein Anstieg dieses Wechselkurses bedeutet daher einen Anstieg des US-Dollar gegenüber dem Euro.

Die Entwicklung von Wechselkursen unterliegt dem Angebot und der Nachfrage nach Währungen an internationalen Devisenmärkten, die von wirtschaftlichen Faktoren abhängen, einschließlich der Inflationsraten der jeweiligen Länder, Zinsdifferenzen zum Ausland, der Einschätzung der jeweiligen Konjunktorentwicklung, der weltpolitische Situation, der Konvertierbarkeit einer Währung in eine andere, der Sicherheit von Geldanlagen in der jeweiligen Währung, Spekulationen und der von Regierungen und Zentralbanken ergriffenen Maßnahmen. Derartige Maßnahmen beinhalten unter anderem, aber nicht abschließend, die Auferlegung regulatorischer Kontrollen oder Steuern, die Ausgabe neuer Währungen, um eine bestehende Währung zu ersetzen, Veränderungen des Wechselkurses oder der Währungseigenschaften durch Abwertung oder Aufwertung einer Währung oder die Auferlegung von Devisenkontrollen in Bezug auf Umtausch oder Transferierung einer bestimmten Währung, die sowohl die Wechselkurse als auch die Verfügbarkeit einer bestimmten Währung beeinflussen können.

Als Kursreferenzen für den Basiswert können Werte von unterschiedlichen Quellen herangezogen werden. Einerseits können dies Währungswechselkurspreise sein, die im sogenannten Interbankenhandel zustande kommen, da der Großteil des internationalen Devisenhandels zwischen Großbanken abgewickelt wird. Solche Werte werden auf Seiten von anerkannten Wirtschaftsinformationsdiensten (wie z.B. Reuters oder Bloomberg) veröffentlicht.

Andererseits können als Kurs für die Währungs-Wechselkurse auch bestimmte amtliche, von Zentralbanken (wie z.B. der Europäischen Zentralbank) festgestellte Währungswechselkurse herangezogen werden. Darüber hinaus ist es möglich, dass der Kurs bestimmter Währungswechselkurspaare gegebenenfalls nicht in geeigneter Form an einem Referenzmarkt abrufbar ist. Bei diesen Währungs-Wechselkursen wird der Kurs deshalb von der Berechnungsstelle mittelbar über zwei Währungswechselkurspaare, die jeweils eine Währung des den Zertifikaten zugrunde liegenden Währungswechselkurspaares und zusätzlich eine gemeinsame Auszahlungswährung beinhalten, ermittelt. Die Ermittlung des Kurses des den Zertifikaten zugrundeliegenden Währungswechselkurses erfolgt durch Gegenrechnung dieser beiden Währungswechselkurse.

### **Risikofaktoren in Verbindung mit Zinssätzen als Basiswert**

Die Entwicklung des jeweiligen Zinssatzes ist zum Zeitpunkt der Emission nicht vorhersehbar und hängt von einer Vielzahl von Faktoren ab, u.a. von Angebots- und Nachfragefaktoren auf den internationalen Geldmärkten, die durch Maßnahmen von Regierungen und Zentralbanken sowie Spekulationen und gegebenenfalls volkswirtschaftlichen Faktoren beeinflusst werden.

### **Risikofaktoren in Verbindung mit Rohstoffen als Basiswert**

Rohwaren bzw. Rohstoffe werden im Allgemeinen in drei Hauptkategorien eingeteilt: Mineralische Rohstoffe (wie z.B. Öl, Gas, Aluminium und Kupfer), landwirtschaftliche Erzeugnisse (wie z.B. Weizen und Mais) und Edelmetalle (wie z.B. Gold und Silber). Ein Großteil der Rohwaren bzw. Rohstoffe wird an spezialisierten Börsen oder direkt zwischen Marktteilnehmern (Interbankenhandel) weltweit in Form von OTC-Geschäften ("over the counter", außerbörslich) mittels weitgehend standardisierter Kontrakte gehandelt.

Preisrisiken bei Rohwaren bzw. Rohstoffen sind häufig komplex. Die Preise sind größeren Schwankungen (Volatilität) als bei anderen Anlagekategorien unterworfen. Insbesondere weisen Rohwaren-Märkte eine geringere Liquidität als Renten-, Devisen- und Aktienmärkte

auf. Daher wirken sich Angebots- und Nachfrageveränderungen drastischer auf Preise und Volatilität aus, wodurch Anlagen in Rohwaren risikoreicher und komplexer sind.

Die Einflussfaktoren auf Preise von Rohwaren sind zahlreich und komplex. Exemplarisch werden einige typische Faktoren aufgeführt, die sich in Rohwaren-Preisen niederschlagen.

#### *Angebot und Nachfrage*

Die Planung und das Management der Versorgung mit Rohwaren nehmen viel Zeit in Anspruch. Daher ist der Angebotsspielraum bei Rohwaren begrenzt und es ist nicht immer möglich, die Produktion schnell an Nachfrageveränderungen anzupassen. Die Nachfrage kann auch regional unterschiedlich sein. Die Transportkosten für Rohwaren in Regionen, in denen diese benötigt werden, wirken sich darüber hinaus auf die Preise aus. Das zyklische Verhalten einiger Rohwaren, wie z.B. landwirtschaftliche Erzeugnisse, die während bestimmter Jahreszeiten produziert werden, kann starke Preisschwankungen nach sich ziehen.

#### *Direkte Investitionskosten*

Direkte Investitionen in Rohwaren sind mit Kosten für Lagerung, Versicherung und Steuern verbunden. Weiters werden auf Rohwaren keine Zinsen oder Dividenden gezahlt. Die Gesamrendite von Rohwaren wird durch diese Faktoren beeinflusst.

#### *Liquidität*

Nicht alle Rohwaren-Märkte sind liquide und können schnell und in ausreichendem Umfang auf Veränderungen der Angebots- und Nachfragesituation reagieren. Da an den Rohwaren-Märkten nur wenige Marktteilnehmer aktiv sind, können starke Spekulationen negative Konsequenzen haben und Preisverzerrungen nach sich ziehen.

#### *Wetter und Naturkatastrophen*

Ungünstige Wetterbedingungen können das Angebot bestimmter Rohstoffe für das Gesamtjahr beeinflussen. Eine so ausgelöste Angebotskrise kann zu starken und unberechenbaren Preisschwankungen führen. Auch die Ausbreitung von Krankheiten und der Ausbruch von Epidemien können die Preise von landwirtschaftlichen Erzeugnissen beeinflussen.

#### *Politische Risiken*

Rohwaren werden oft in Schwellenländern produziert und von Industrieländern nachgefragt. Die politische und wirtschaftliche Situation von Schwellenländern ist jedoch meist weitaus weniger stabil als in den Industrieländern. Sie sind weit eher den Risiken rascher politischer Veränderungen und konjunktureller Rückschläge ausgesetzt. Politische Krisen können das Vertrauen von Anlegern erschüttern, was wiederum die Preise von Rohwaren beeinflussen kann. Kriegerische Auseinandersetzungen oder Konflikte können Angebot und Nachfrage bestimmter Rohwaren verändern. Darüber hinaus ist es möglich, dass Industrieländer ein Embargo beim Export und Import von Waren und Dienstleistungen auferlegen. Dies kann sich direkt oder indirekt auf den Preis von Rohwaren niederschlagen. Ferner sind eine Reihe von Rohwaren-Produzenten zu Organisationen oder Kartellen zusammengeschlossen, um das Angebot zu regulieren und damit die Preise zu beeinflussen.

#### *Steuern und Zölle*

Änderungen der Steuersätze und Zölle können sich für Rohwaren-Produzenten rentabilitätsmindernd oder –steigend auswirken. Sofern diese Kosten an Käufer weitergegeben werden, wirken sich solche Veränderungen auf die Preise der betreffenden Rohwaren aus.

### **Risikofaktoren in Verbindung mit Futures Kontrakten als Basiswert**

#### *Allgemein*

Futures Kontrakte, auch Terminkontrakte genannt, sind standardisierte Termingeschäfte bezogen auf Finanzinstrumente (z.B. Aktien, Indizes, Zinssätze, Dividenden oder Devisen) sog. Finanzterminkontrakte oder auf Rohstoffe (z.B. Edelmetalle, Weizen oder Zucker) sog. Wareterminkontrakte.

Ein Futures Kontrakt verkörpert die vertragliche Verpflichtung, eine bestimmte Menge des jeweiligen Vertragsgegenstandes zu einem festgelegten Termin zu einem vereinbarten Preis zu kaufen oder zu verkaufen. Futures Kontrakte werden an Terminbörsen gehandelt und sind zu diesem Zwecke hinsichtlich Kontraktgröße, Art und Güte des Vertragsgegenstandes und eventueller Lieferorte und Liefertermine standardisiert. Grundsätzlich besteht eine enge Korrelation zwischen der Preisentwicklung des dem Basiswert zugrunde liegenden Finanzinstruments bzw. Rohstoffs an einem Kassamarkt und dem korrespondierenden Futuresmarkt. Allerdings werden Futures Kontrakte grundsätzlich mit einem Auf- oder Abschlag gegenüber dem Kassakurs des zugrunde liegenden Finanzinstruments bzw. Rohstoffs gehandelt. Dieser in der Terminbörsenterminologie als "Basis" bezeichnete Unterschied zwischen Kassa- und Futurespreis resultiert einerseits aus der Miteinberechnung von bei Kassageschäften üblicherweise anfallenden Kosten (Lagerhaltung, Lieferung, Versicherungen etc.) bzw. von mit Kassageschäften üblicherweise verbundenen Einnahmen (Zinsen, Dividenden etc.), andererseits aus der unterschiedlichen Bewertung von allgemeinen Marktfaktoren am Kassa- und am Futuresmarkt. Ferner kann je nach Finanzinstrument bzw. Rohstoff die Liquidität am Kassa- und am entsprechenden Futuresmarkt erheblich voneinander abweichen.

Da sich die Zertifikate auf den Börsenkurs der den Zertifikaten zugrunde liegenden Futures Kontrakte beziehen, ist es empfehlenswert, dass der Wertpapierinhaber neben Kenntnissen über den Markt für das dem jeweiligen Futures Kontrakt zugrunde liegende Finanzinstrument bzw. den Markt für den dem jeweiligen Futures Kontrakt zugrunde liegenden Rohstoff auch über Kenntnisse bezüglich der Funktionsweise und Bewertungsfaktoren von Termingeschäften verfügt, da nur in diesem Fall eine sachgerechte Bewertung der mit dem Kauf dieser Zertifikate verbundenen Risiken möglich ist.

#### *Rollover*

Da Futures Kontrakte als Basiswert der Zertifikate jeweils einen bestimmten Verfalltermin haben, wird durch die Emittentin bei Open End Partizipations-Zertifikaten oder Faktor Zertifikaten zu einem bestimmten Zeitpunkt der Basiswert jeweils durch einen Futures Kontrakt ersetzt, der außer einem später in der Zukunft liegenden Verfalltermin die gleichen Vertragsspezifikationen aufweist wie der anfänglich zugrunde liegende Futures Kontrakt ("**Rollover**").

Die Anbieterin wird am Rollovertag zu diesem Zwecke ihre durch die jeweiligen Absicherungsgeschäfte eingegangenen Positionen in Bezug auf den bisherigen Futures Kontrakt, dessen Verfalltermin nahe bevorsteht, auflösen und entsprechende Positionen in Bezug auf einen Futures Kontrakt mit identischen Ausstattungsmerkmalen, aber längerer Laufzeit aufbauen.

Nach Abschluss des Rollover wird auf Grundlage des Rolloverkurses für den Nachfolgewert das Bezugsverhältnis angepasst.

### **Risikofaktoren in Bezug auf Interessenkonflikte**

Die Emittentin kann von Zeit zu Zeit in Bezug auf die Zertifikate in anderen Funktionen tätig werden, zum Beispiel als Berechnungsstelle. Diese Funktionen können es der Emittentin gestatten, den Wert des Basiswerts zu berechnen oder die Zusammensetzung des Basiswerts festzulegen, wodurch Interessenkonflikte entstehen können, wenn Wertpapiere oder andere Vermögenswerte ausgewählt werden können, die Teil des Basiswerts sein können und von der Emittentin selbst oder einem Konzernunternehmen ausgegeben werden oder wenn die Emittentin Geschäftsbeziehungen mit dem Emittenten oder dem Schuldner dieser Wertpapiere oder anderen Vermögenswerte hat.



Die Emittentin kann von Zeit zu Zeit Transaktionen, die mit dem Basiswert verbunden sind, für ihre Eigenhandelskonten oder von ihr verwaltete Konten durchführen. Derartige Transaktionen können einen positiven oder negativen Effekt auf den Wert des Basiswerts haben und somit auch auf den Wert der Zertifikate. Soweit in diesem Abschnitt „Interessenkonflikte“ verwendet, gelten Bezugnahmen auf den Basiswert gegebenenfalls auch als Bezugnahme auf seine Bestandteile.

Die Emittentin kann weitere derivative Finanzinstrumente in Bezug auf den jeweiligen Basiswert ausgeben und die Einführung solcher mit den Zertifikaten im Wettbewerb stehender Produkte in den Markt kann sich auf den Wert der Zertifikate auswirken.

Die Emittentin kann alle oder Teile der Erlöse aus dem Verkauf der Zertifikate verwenden, um Absicherungsgeschäfte abzuschließen. Die Emittentin geht davon aus, dass derartige Absicherungsaktivitäten unter normalen Umständen keine wesentliche Auswirkung auf den Wert der Zertifikate haben werden. Es kann jedoch nicht zugesichert werden, dass sich die Absicherungsaktivitäten nicht auf den Wert auswirken. Entstehen können Einwirkungen auf den Wert der Zertifikate insbesondere durch die Auflösung aller oder Teile der Absicherungspositionen am oder nah am Zeitpunkt der Fälligkeit oder des Erlöschens der Zertifikate.

Die Emittentin kann nicht-öffentliche Informationen in Bezug auf den Basiswert erhalten und ist nicht verpflichtet solche Informationen an die Zertifikatsinhaber weiterzugeben. Zudem kann die Emittentin Research-Berichte in Bezug auf den Basiswert publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Zertifikate auswirken.

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