

## Base Prospectus dated 27 April 2021

This document contains a base prospectus (“**Prospectus**”) within the meaning set forth by Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the “**Prospectus Regulation**”) of Raiffeisen Bank S.A. (hereinafter also referred to as the “**Issuer**”) relating to the



### RAIFFEISEN BANK S.A.

(a joint-stock company organized and functioning in accordance with the laws of Romania, administrated in dualist system, with its registered office at 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup>, Bucharest 1st District, Romania, registered with the Trade Registry under no. J40/44/1991 EUID ROONRC J40/44/1991, sole registration code 361820, registered with the Credit Institutions Registry held by the National Bank of Romania under number RB-PJR-40-009 as of 18 February 1999, subscribed and paid-in share capital of RON 1,200,000,000)

### EUR 850,000,000 Euro Medium Term Note Programme for the issue of Notes (as defined herein)

under the EUR 850,000,000 Euro Medium Term Note Programme described in this Prospectus (the “**Programme**”), the Issuer may from time to time issue notes in bearer form (the “**Notes**”), including: (i) ordinary senior notes (the “**Ordinary Senior Notes**”); (ii) ordinary senior eligible notes (the “**Ordinary Senior Eligible Notes**”) and non-preferred senior eligible notes (the “**Non-Preferred Senior Eligible Notes**”) (together, the “**Eligible Notes**”); and (iii) subordinated notes (the “**Subordinated Notes**”). The aggregate principal amount of Notes (issued under the Programme) outstanding will not at any time exceed EUR 850,000,000 (or the equivalent in other currencies).

The Prospectus was prepared in accordance with the Prospectus Regulation, and other applicable legal provisions.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the “**CSSF**”) in its capacity as competent authority under the Prospectus Regulation and the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*, the “**Luxembourg Prospectus Law**”). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or of the quality of the Notes that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer has requested the CSSF to provide the competent authorities in Romania with a certificate of approval in accordance with Article 25 (1) of the Prospectus Regulation attesting that this Prospectus has been drawn up in accordance with the Prospectus Regulation and the Luxembourg Prospectus Law. The Issuer may request the CSSF to provide competent authorities in additional Member States within the European Economic Area (each a “**Member State**” and, together, the “**Member States**”) with further notifications.

Application has been made to list Notes issued under the Programme on the official list of the Luxembourg Stock Exchange, to admit Notes to trading on the Regulated Market of the Luxembourg Stock Exchange and application may also be made to the Bucharest Stock Exchange for the Programme as a whole and for such Notes intended to be listed and traded on the regulated market and may be made on any other stock exchange. These regulated markets are regulated markets for the purposes of Directive 2014/65/EU (as amended, the “**MiFID II**”) (a “**Regulated Market**”).

Notes will be issued in tranches (each a “**Tranche**”), each Tranche consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and form a single series and are identical in all respects, but may have different issue dates, interest commencement dates, issue prices and dates for first interest payments may form a series (“**Series**”) of Notes. Further Notes may be issued as part of an existing Series. The specific terms of each Tranche will be determined at the time of offering of such Tranche based on then prevailing market conditions and will be set forth in the applicable final terms (the “**Final Terms**”) (the form of which is contained herein).

This Prospectus and any supplement hereto will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer ([www.raiffeisen.ro](http://www.raiffeisen.ro)). For the avoidance of doubt, the content of the aforementioned websites does not form part of this Prospectus.

The validity of this Prospectus ends upon expiration of 27 April 2022. There is no obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies when the Prospectus is no longer valid.

Potential investors should be aware that any website referred to in this Prospectus does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

Arrangers and Dealers

**Raiffeisen Bank International AG**

**Raiffeisen Bank S.A.**

## IMPORTANT NOTICE

This Prospectus is to be read and construed together with (a) all supplements to this Prospectus, if any, (b) the relevant Final Terms (as defined below) in relation to any tranche of Notes and may only be used for the purposes for which it has been published.

No person has been authorised to give any information or to make any representation other than those contained in the Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of Raiffeisen Bank International AG or Raiffeisen Bank S.A. in its capacity as dealer (including any entity appointed as an additional dealer, a **“Dealer”** and, together, the **“Dealers”**) or as approval of the use of the Prospectus.

Neither the delivery of the 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 since the date hereof or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which the Prospectus has been most recently 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.

The Issuer has undertaken with the Dealers to supplement this Prospectus or publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete, and has further agreed with the Dealers to furnish a supplement to the Prospectus in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and which arises or is noted between the time when this Prospectus (comprising this Prospectus) has been approved and when trading of any tranche of Notes on a regulated market begins, in respect of Notes admitted to trading on a regulated market on the basis of this Prospectus.

Neither the Arrangers, the Dealers nor any other person mentioned in this Prospectus (other than the Issuer) has independently verified the information contained in the Prospectus or any supplement thereof, or any Final Terms or any other document incorporated herein by reference. Accordingly, none of these persons makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the Notes. Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Dealers that any recipient of this Prospectus or any recipient of any other information supplied in connection with the Programme or any Notes or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in the Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by the Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers.

Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

As at the date of this Prospectus, the specific benchmark applicable to an issue of Benchmark linked Notes has not yet been determined. However, amounts payable under the Notes may be calculated by reference to EURIBOR, which is currently provided by European Money Markets Institute (**“EMMI”**), ROBOR, which is currently provided by National Bank of Romania (**“NBR”**), €STR, which is published by the European Central Bank since 2 October 2019 or any other benchmark (the **“Other Benchmark”**) (each a **“Benchmark”**). As at the date of this Prospectus ROBOR and €STR do not fall within the scope of the Benchmark Regulation. As at the date of this Prospectus EMMI appears on the register of administrators and benchmarks (the **“Benchmark Register”**) established and maintained by the European Securities and Markets Authority (**“ESMA”**) pursuant to Article 36 of the Regulation (EU) 2016/1011 (as amended, the **“Benchmark Regulation”**).

In case Notes are issued which make reference to any Other Benchmark, the relevant Final Terms will specify the name of the specific benchmark and the relevant administrator. In such case, the Final Terms will further specify if

the relevant administrator is included in the ESMA Register or whether the transitional provisions in Article 51 of the Benchmarks Regulation apply or whether an exemption pursuant to Article 2 (2) (a) of the Benchmarks Regulation applies.

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained in the Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of the relevant underlying, if any; and
- (v) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes, the likelihood of cancellation of payment of principal, payment of distributions or a write-down of the Notes and the impact this investment will have on the potential investor's overall investment portfolio. Each potential investor in the Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including the possibility that the entire principal amount of the Notes could be lost.

#### **Obligation of the Issuer with regard to a supplement**

Any significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of any Notes issued under the Programme and which arises or is noted between the time when this Prospectus is approved and the time when trading on a regulated market begins in respect of Notes admitted to trading on a regulated market on the basis of this Prospectus, will be included and published in a supplement to this Prospectus in accordance with Article 23 of the Prospectus Regulation.

Investors shall be aware that a supplement to this Prospectus may be published. Such a supplement will be published on the Issuer's website (<https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/detinatori-de-obligatiuni/>).

#### **SELLING RESTRICTIONS**

The distribution of the Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")).

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations.

The Prospectus has been prepared on the basis that, except to the extent subparagraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area (each, a “**Relevant Member State**”) will be made pursuant to an exemption pursuant to the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in the Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer, or (ii) 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 Regulation, **provided that** any such prospectus has subsequently been completed by Final Terms which specifies that offers may be made other than pursuant to Article 3(2) of the Prospectus Regulation in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent subparagraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

For a description of certain restrictions on offers and sales of the Notes and on the distribution of the Prospectus, see “*Subscription and Sale*”.

#### **IMPORTANT – EEA RETAIL INVESTORS**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, the “**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

#### **IMPORTANT – UK RETAIL INVESTORS**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision the expression **retail investor** means a person who is one (or more) of the following (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### **MIFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Final Terms in respect of any Notes may include a legend entitled “MiFID II Product Governance” which may outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking

its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under Commission Delegated Directive (EU) 2017/593, as amended (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

### **STABILISATION**

In connection with the issue of any tranche of Notes under the Programme, the Dealer or Dealers (if any) named as stabilising manager(s) in the applicable Final Terms (or persons acting on behalf of a stabilising manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the issue of the relevant tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the relevant tranche of Notes.

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## GENERAL DESCRIPTION OF THE PROGRAMME

### Programme Amount

This Programme is for the issuance of Notes under which the Issuer may, from time to time, issue Notes in accordance with and subject to all applicable laws and regulations and denominated in any currency, subject as set out herein.

The following description is an abstract presentation of the possible structures through which Notes may be issued under the terms of this Prospectus and does not refer to a specific issue of Notes which will be issued under the terms of this Prospectus.

The actual aggregate principal amount (or, (i) in the case of Notes issued at a discount, their amortised face amount or (ii) in the case of Notes issued without denomination the relevant Issue Price multiplied with the aggregate number of Notes of the Series) of all Notes issued and from time to time outstanding will not exceed EUR 850,000,000 (or the equivalent in other currencies at the date of issue). Notes will be issued in such denominations as may be agreed and specified in the relevant Final Terms, save that the minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes. The Notes may be / will be issued on a continuous basis, either directly by the Issuer to the investors or to one or more of the Dealers which expression shall, where used in the Prospectus, include any additional Dealer(s) appointed under this Programme from time to time.

The Issuer will have the option at any time to increase the amount of the Programme, subject to the provisions of a dealer agreement of even date herewith (the “**Dealer Agreement**”) (including the preparation of a supplement to this Prospectus or a new Prospectus) as the Dealers, the relevant competent authority or the relevant Stock Exchange may reasonably request.

### Distribution of Notes

Notes are freely transferable in accordance with the rules and regulations of the relevant clearing system and may be offered to investors on a non syndicated or a syndicated basis. The method of distribution of each Tranche will be stated in the relevant Final Terms. With respect to the categories of potential investors (investor categories: qualified investors and/or institutional investors) the Notes are not subject to any restrictions except for the selling restrictions mentioned in section Subscription and Sale; the Notes can be intended for sale to qualified investors.

### Listing and Admission to Trading of Notes

In relation to Notes intended to be listed and issued under this Programme, application (i) has been made to the Luxembourg Stock Exchange to list the Programme and such Notes on the Official List (*Cote Officielle*) of the Luxembourg Stock Exchange and to admit to trading on the Regulated Market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) and (ii) may also be made to the Bucharest Stock Exchange for the Programme as a whole and for such Notes intended to be listed and traded on a regulated market. Application may be made additionally to any other or further stock exchange to admit such Notes to trading on any other or further regulated market or other market segment of such other or further stock exchange. The Issuer intends to/may apply for listing and trading of the Notes in Romania. The trading and settlement of the Notes in Romania will be organised in accordance to BSE and Central Depository Regulations. In this Prospectus, references to “Listed Notes” (and all related references) shall mean, in relation to Notes issued under the Programme, that such Notes are listed on the Official List of the Luxembourg Stock Exchange and/or on the regulated market of the Bucharest Stock Exchange or any other or further stock exchange, as the case may be.

The Programme allows for Notes to be listed on such other or further stock exchange(s) or traded on other market segments (e.g. unregulated market (*Freiverkehr*)) as may be agreed between the Issuer and the relevant Dealer(s) or as determined by the Issuer. Notes not listed on any stock exchange may also be issued.

The issue specific details applicable to the respective Notes are determined in the relevant Final Terms.

### Clearing Systems

Either the Notes have been accepted for clearance through Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking, S.A., Luxembourg (“**CBL**”) and/or may be accepted for clearance through the Romanian Central Securities

Depository, Depozitarul Central SA (“**DC**”) if the Notes will be listed on the Regulated Market of the Bucharest Stock Exchange (or their legal successors as the case may be).

**Security Code**

The International Securities Identification Number (“**ISIN**”), Common Code (if any), and the German Security Code Number (if any) for each Series of Notes or any other security code will be set out in the relevant Final Terms.



## **RISK FACTORS**

*Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider the risk factors associated with any investment in the Notes, the Issuer's business and the industry in which it operates, including, in particular, the risk factors described below, together with the information contained elsewhere in the Prospectus.*

*The Issuer has described below certain risks and uncertainties that it believes are specific and material as at the date of this Prospectus and that may affect the issuer's ability to fulfil its obligations under the Notes. The occurrence of any of the following events could have a material adverse effect on the Issuer's business, prospects, results of operations and financial conditions. The Issuer describes only those risk factors it is currently aware of at the date of this Prospectus. However, additional risks and uncertainties relating to the Notes that are not currently known to the Issuer, or that the Issuer currently deems immaterial or non-specific, may individually or cumulatively also have a material adverse effect on the Issuer's business, results of operations and/or financial condition and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. New risks can emerge from time to time, and it is not possible for the Issuer to predict all such risks. It is also possible that risks described herein may combine and intensify one another. An investment in the Notes involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Investors should consider carefully whether an investment in the Notes is suitable for them in the light of the information in this section and their personal circumstances.*

*The risk factors are divided into the following categories depending on their nature:*

**1. RISKS RELATING TO THE ISSUER**

**1.1 Risks relating to the business of the Issuer**

**1.2 Economic and political risks**

**1.3 Risks relating to legal and regulatory matters and litigation**

**1.4 Other material risks**

**2. RISKS RELATING TO THE NOTES**

**2.1 Risks relating to the regulatory classification of the Notes**

**2.2 Risks relating to the nature of the Notes**

**2.3 Risks relating to the specific Terms and Conditions of the Notes**

**2.4 Other related risks**

*In each of these categories specific risk factors are described with the most significant risk factor being mentioned first in each category. The Issuer has assessed the materiality of risks based on the probability of their occurrence and the expected magnitude of the negative impact such occurrence may cause to the Issuer and the effect on the Issuer's ability to meet its obligations under securities issued by the Issuer. In respect of its assessment of the Risks Relating to the Issuer, the Issuer has also taken into account the principles and outcomes of its Internal Capital Adequacy Assessment Process ("ICAAP").*

*Investors should consider the following specific and material risk factors and in addition all other information contained in this Prospectus and consult their own professional advisors prior to any decision to purchase debt securities issued by the Issuer.*

*Investors shall also be aware that there may be additional risks regarding the Issuer which are not regarded to be material or of which the Issuer is currently not aware but which may nevertheless affect the Issuer's ability to meet its obligations under securities issued by the Issuer. It is also possible that risks described herein may combine and intensify one another.*

## **1. Risks Relating to the Issuer**

### **1.1 Risks relating to the business of the Issuer**

***Outbreaks of diseases can have severe and lingering impact on banking operations, the social and economic environment, and financial market developments.***

Pandemics, epidemics and outbreaks of infectious diseases, such as the recent outbreak of the novel coronavirus (SARS-CoV-2) and the disease it causes (“**COVID-19**”) can have unforeseen impact on banking operations, the social and economic environment, and financial market developments.

A protracted uncertainty may include several negative consequences for the Issuer:

- Temporary moratorium in particular for private individuals and small companies on their credit obligations towards the Issuer, such as the one instituted by the Government Emergency Ordinance no. 37/2020 on awarding certain relief measures in relation to loans granted by credit institutions and non-banking financial institutions to certain classes of debtors, as amended (“**GEO 37/2020**”) allowed suspension on loan payments for a maximum of up to nine months and no later than 31 December 2020. GEO 37/2020 was amended by the Government Emergency Ordinance no. 227/2020 for the amendment and supplement of GEO 37/2020. Further to this amendment, starting 1 January 2021, new applications for moratoria were permitted until 15 March 2021, for moratoria of up to nine months (the duration of which shall be calculated by taking into consideration any moratorium that the debtors previously benefited from, either pursuant to GEO 37/2020 or on a non-legal basis);
- Economic downturn, shifts in consumer behaviour, diminished business and consumer confidence, inflation and market volatility, currency exchange rate fluctuations;
- Increasing levels of temporary unemployment among the Issuer’s customers, which may lead to their inability to service their debt obligations towards the Issuer;
- Although the risks decreased considerably in recent period in the context of the newly developed vaccines, the possibility remains for workforce disruptions due to illness or employee refusal to work on-site due to perceived risk of contagion.
- Any deterioration of the financial market conditions as a result of such an outbreak might negatively impact the Issuer’s liquidity position.

Despite the significant actions undertaken by international and local authorities during 2020 combatting the short-term negative effects of the COVID-19 pandemic, the pace of the economic recovery remains uncertain. Also due to the novelty of many such measures, long term impact and effects cannot be fully assessed, and uncertainty will linger for a significant period, triggering potential negative consequences for the business prospects of the Issuer.

As at the date of this Prospectus, the COVID-19 pandemic is ongoing and the scale and economic impact of the outbreak remains unknown. The COVID-19 pandemic and resulting disruption of market conditions globally, the potentially severe impact on many, if not most, business segments, the Issuer’s operational capabilities, as well as valuation of market assets and market access to manage liquidity could materially adversely affect the Issuer’s business, prospects, results of operations or financial condition, as well as its ability to meet its obligations under the Notes. There can be no assurance that governmental or other actions would result in prompt and adequate improvement of such market conditions in the future, should the situation deteriorate further or further restrictions are imposed, or current or new restrictions persist for a prolonged period of time.

***The Issuer faces intense competition and changes in the market landscape for banking services, which could impede the growth of the Issuer’s business and may negatively impact the Issuer’s revenue and profitability.***

The Issuer is in competition with a large number of financial institutions, of both international and local calibre (banks with retail and wholesale clients, mortgage banks, investment banks, as well as other non-banking financial institutions which are active in the Romanian financial services sector), competition which is expected to intensify further, especially among top tier banks, on the background of an ongoing consolidation process in the market. Increased competition may determine a higher attrition of the Issuer's current clients and may also limit the Issuer's potential to attract new customers, with adverse impact on the Issuer's revenues and profitability.

Existing competitors, as well as others that may enter the market in the future, may enjoy certain competitive advantages that the Issuer does not, such as having greater economies of scale, larger financial and non-financial resources and portfolios, access to more advanced technological and operational resources, more comprehensive product offerings in certain business lines, greater personnel resources, better brand name recognition and more experience or longer-established relationships with regulatory authorities and clients. The majority of the Issuer's main competitors in the Romanian banking sector are part of large international financial groups, such as the local subsidiaries of Erste Group (Banca Comercială Română S.A., "BCR"), Société Générale (BRD – Groupe Société Générale S.A., "BRD"), UniCredit (UniCredit Bank S.A., "UniCredit"), ING (ING Bank N.V. Amsterdam Sucursala București, "ING") etc. Competitors with wider presence might seem more attractive for some institutional clients which have an established relationship with the respective international financial groups in other jurisdictions. In addition, in the context of the development of the Romanian financial services market in recent years, local financial institutions, such as Banca Transilvania S.A. (currently the largest bank by assets) have gained market shares by appealing to a large number of customers also positioning themselves with a national-centric branding.

The Issuer's market landscape is also evolving, with fintech companies entering the competition by offering current accounts, free-of-charge currency exchange, and instant peer-to-peer payments (such as Revolut, Monese). These entities bring to market a completely digital, non-traditional-bank experience, characterized by offering low margins and high flexibility in adapting the transactional platform with new benefits. The Issuer's market may thus be affected by price competition for existing services and rapid development of new products, services and distribution channels.

The Issuer's market position will also depend on effective marketing initiatives and its ability to anticipate and respond to various competitive factors affecting the financial services industry, including new services, pricing strategies by competitors, changes in consumer preferences and economic, political and social conditions in the market in which it operates.

The Issuer's success depends on its capacity to maintain high levels of loyalty among its customer base and to offer a wide range of competitive and high-quality products and services to its customers. Intense competition and an increased emphasis in cost reduction may result in an inability to maintain high loyalty among the Issuer's customer base, to provide competitive products and services, or to maintain high customer service standards, each of which may adversely affect the Issuer's business, financial condition, results of operations and prospects.

Strong competition may lead to increased pressure on the Issuer in connection with prices for products and services offered to clients, which may have an impact on the Issuer's capacity to maintain or increase its profitability. The competitiveness of the Issuer in the current environment will depend largely on its capacity to adapt quickly to the market's new developments and tendencies. To the extent the Issuer will not be able to effectively cope with pressure exerted by competitors, or to the extent the Issuer fails to respond to, or effectively anticipate consumer sentiment, this may have an adverse effect on the Issuer's market share, earnings and cost structure and thus, its business, financial condition, results of operations and prospects.

***The Issuer may experience deterioration in credit quality of its loan portfolio and is exposed to the risk of defaults by its counterparties, particularly as a result of financial crises or economic downturns.***

The Issuer is, and may in the future continue to be, exposed to the risk that a counterparty (e.g. borrower or a market participant contracting with the Issuer) may not repay their loans or perform their obligations 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.

The Issuer is exposed to credit risk in particular with respect to its lending activities with retail and corporate customers, financial institutions, local and central governments, as well as other activities such as its trading and settlement activities. Historically, credit risk has been higher during periods of economic downturn, such as the aftermath of the 2008 global financial crisis or more recently as a result of the outbreak of the current COVID-19 pandemic. Volatile economic conditions may substantially aggravate credit risk resulting in an increase of non-performing exposures (“NPE”). Such developments could be amplified by changes to foreign exchange rates and/ or money market interest rates which would negatively affect the ability of customers to repay their loans and thus contribute to increased credit risk. In particular, if the low level of market interest rates comes to an end and interest rates increase, the rate of non-performing exposures may increase, the provisioning of which would diminish the Issuer’s profits and could negatively affect the equity and the goodwill of the Issuer. Furthermore, the Issuer’s loan portfolio and other financial assets might be impaired which might result in a withdrawal of deposits and decreased demand for the Issuer’s products.

Deterioration in the quality of the Issuer’s credit portfolio and increases in NPE result in increased credit risk costs for the Issuer. The Issuer’s risk costs are based on, among other things, its analysis of probabilities of default (using current probabilities and historical information) and loan management methods and the valuation of underlying assets and expected available income of clients, as well as other assumptions of the Issuer, made in order to determine the credit risk cost as well as the capital requirements for addressing such risk. The Issuer’s analyses and assumptions may prove to be inadequate and might result in inaccurate predictions of ongoing or future credit performance.

There can be no assurances that the current provisioning ratio will not increase in the future, or that the coverage ratio for the associated risks (including the NPE coverage ratio) will prove to be sufficient.

Should actual credit risk exceed current estimates on which net allocations to provisioning have been made, the Issuer’s loan loss provisions could be insufficient to cover losses. This would have a material adverse impact on the Issuer’s financial position and results of operations and could affect the Issuer’s ability to meet its obligations under the Notes.

***The Issuer may be adversely affected by changes in interest rates.***

As the Issuer derives the majority (65% in 2020) of its operating income from net interest income, the risk of adverse interest rate changes is a significant risk to which the Issuer’s non-traded portfolios are exposed. Interest rates are sensitive to many factors beyond the Issuer’s control, such as inflation, monetary and fiscal policies set by the NBR and by the Romanian government, monetary policy decisions of the European Central Bank (“ECB”) in connection with the EUR, the liberalisation of financial services, increased competition, as well as domestic and international economic and political conditions. Changes in the absolute level of interest rates can affect the spread between the rate of interest that a financial institution 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. To the extent the interest margin decreases, net interest income will also decrease, unless the Issuer is able to compensate such decrease by increasing the total amount of funds it lends to its customers. Low interest rate monetary policy of central banks, which is accompanied by quantitative easing brings additional challenges to interest margin stability as the potential to re-price customers’ deposits is limited. Additionally, in a very low or negative interest rate environment, the Issuer will have increased costs of maintaining the regulatory and prudential liquidity buffers held in low yield highly liquid assets. An increase in rates charged to customers can also negatively impact interest income if it reduces the amount of customer borrowings. For competitive reasons, the Issuer may 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 the Issuer’s net interest margin.

As a result of the above, interest rate fluctuations and, in particular, decreasing interest rate margins could negatively affect the Issuer’s net interest income and have a material adverse effect on the Issuer’s ability to fulfil its obligations under the Notes.

***The Issuer is subject to the risk that liquidity may not be readily available.***

The Issuer relies on customer deposits to meet a substantial portion of its funding requirements. Customer deposits are subject to fluctuation due to factors outside the Issuer's control, and the Issuer can provide no assurance that it will not experience a significant outflow of deposits within a short period of time. Because a significant portion of the Issuer's funding comes from its deposit base, any material decrease in deposits could have a negative impact on the Issuer's liquidity.

As a credit provider, the Issuer is exposed to market liquidity risk, which arises from an inability to easily sell an asset because there is inadequate market liquidity or market disruption. The Issuer is also exposed to funding liquidity risk, which is an exposure to additional expenditure 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 on an unsecured basis because of uncertainty as to the creditworthiness of the borrowing bank and increased capital requirements. 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. If such increase in perceived counterparty risk would happen with respect to the Issuer, this would lead to reductions in the Issuer's access to traditional sources of liquidity and would be compounded by further regulatory restrictions on funding, liquidity and capital structures.

If the Issuer has difficulty in securing adequate sources of short- and long-term liquidity or if it were subject to material deposit outflows, this could negatively affect the Issuer's ability to comply with the applicable regulatory and commercial liquidity requirements, and have a material adverse effect on the Issuer's ability to fulfil its obligations under the Notes.

***The Issuer is subject to operational risks.***

The Issuer's businesses are dependent on the ability to process a very large number of transactions efficiently and accurately. Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with the applicable regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems, for example, those of the Issuer's suppliers or counterparties. There is a risk that the Issuer's risk control and loss mitigation actions are not effective in preventing and controlling each of the operational risks. The Issuer 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 affect the services provided to clients. If the Issuer would have such difficulties in its operational activity, this could have a material adverse effect on its business, financial condition and results of operations.

***Fluctuations in exchange rates could adversely affect the Issuer's results of operations.***

A significant portion of the Issuer's assets and liabilities is denominated in foreign currencies, particularly in EUR (35% of monetary assets and 39.7% of monetary liabilities were denominated in foreign currency, out of which EUR denominated monetary assets represented 32.9% of total monetary assets and EUR denominated liabilities accounted for 35% of total monetary liabilities). The Issuer translates such assets and liabilities, as well as interest earned or paid on such assets and liabilities, and gains/losses realized upon the sale of such assets, to RON in preparing its financial statements. Fluctuations in the rate of exchange of such currencies into RON may have a negative impact on the Issuer's reported consolidated results of operations, financial position and yearly cash flows.

***If the Issuer does not maintain or improve its reputation for the quality of its service, its ability to attract new customers and retain existing customers may be harmed.***

Reputational risk is inherent to the Issuer's business activity. The ability to retain customers and to attract new customers depends in part on the Issuer's and RBI Group's brand recognition and its reputation for the quality of service. Negative public opinion towards the Issuer, RBI Group or the financial services sector as a whole could result from real or perceived practices in the financial sector in general, such as negligence

during the provision of financial products or services, or even from the way that the Issuer conducts, or is perceived to conduct, its business operations. In addition, the Issuer's reputation is strongly linked to the reputation of the RBI Group, meaning that any objective or perceived negative aspects of RBI Group's business, financial condition, results of operations and prospects could in its turn have an adverse effect on the Issuer's reputation.

Negative publicity and negative public opinion could adversely affect the Issuer's ability to maintain and attract customers, which could have a material adverse effect on the Issuer's business, financial condition and prospects.

***The Issuer may be subject to onerous tax liabilities.***

In its business activities, the Issuer is required to pay various taxes and contributions, such as profit tax, value added tax, various social contributions and others. While the Issuer believes it has paid its taxes when due, interpretation of applicable rules by tax authorities may differ. In practice, tax inspections typically result in tax authorities requiring payment of additional amounts as well as interest and/or penalties. Recently, both, the Romanian Government and EU institutions, have applied significant pressure in relation to taxes paid or payable by banks. Whether as a result of such pressure from the fiscal authorities or in the ordinary course of business, it is likely that the Issuer will be subject to one or more tax inspections from time to time. In the period December 2017 – May 2019, the Issuer had been subject to a fiscal audit from the Romanian Tax Authority (“ANAF”). The object of the audit was income tax (period 2011-2016) and withholding tax (period 2013-2016). The fiscal audit report indicated total additional charges of RON 262.4 million which includes income tax, withholding tax and related penalties. The Issuer has paid all the charges resulting from the fiscal inspection. In response, the Issuer submitted an administrative appeal against the inspection report, requesting its cancellation. During 2020, the Issuer received the answer to the appeal according to which the Issuer is entitled to receive back 10% of the principal charges included in the tax report. The Issuer continued legal procedures for the recovery of the remaining amounts and initiated a litigation in this respect. Based on the facts and documents presented to the tax authority concerning certain operations that were the object of the control performed by the tax authority, considering the reclassification/qualifications made by the tax authority, and considering the opinions issued by the tax advisers and by the law firm that will represent the Issuer in a potential litigation against the tax authority, the Issuer assessed that it is more likely that a court decision would be favourable to the Issuer (in the sense of acknowledging the operations as performed by the Issuer) than to have a non- favorable court decision. As a result, the Issuer recognised in 2020 as expense an amount of RON 35.3 million, in addition to the amount of RON 21.5 million reflected in 2019. The remaining amount of RON 205.6 million (2019: RON 240.9 million) paid is reflected as prepayment. In 2020, the Issuer reclassified part of the income tax receivable from the tax audit, from “Other assets” to “Current tax receivable” position. The reclassified amount is RON 144.4 million. This reclassification is a result of the IFRS Interpretations Committee agenda decision dated September 2019. This decision clarifies the presentation of uncertain tax assets and liabilities. Therefore, the amount paid in advance to the tax authorities representing income tax and related penalties has been reclassified into “Current tax receivable” position for December 2019.

Generally, the results of tax inspections may be the imposition of material additional amounts on the Issuer and this may have a material and adverse effect on the Issuer's business, financial condition, results of operations and prospects.

***The Issuer is exposed to risk of fraud and illegal activities of other forms.***

The Issuer is subject to rules and regulations related to money laundering / terrorism financing and international sanctions, as enacted by the United Nations and the EU. Compliance with anti-money laundering/terrorist financing and international sanctions rules entails significant cost and effort for the Issuer. Non-compliance with these rules may have severe consequences, including adverse legal and reputational risks for the Issuer. In accordance with legal and regulatory provisions, administrative sanctions as well as sanctioning measures may be applied. Administrative measures may include: written warning; public warning (on NBR website); in case of individuals - fine between RON 10,000 and RON 23,000,000, in case of legal entities - fine up to 10% of total annual turnover or up to RON 23,000,000; withdrawal of the approval of the directors/administrators of the respective entity. Sanctioning measures may refer to:

order to stop the illicit conduct of the individual or the legal entity; temporary restriction of exercising certain roles/functions within the institution by the persons responsible for committing the action; withdrawal of the functioning authorization of the respective entity. Although the Issuer believes that its current anti-money laundering / anti-terrorism financing and international sanctions policies and procedures are adequate to ensure compliance with applicable legislation, it cannot be guaranteed that they will comply at all times with all rules applicable to these risk areas extended and applied to all its workers in all circumstances. In addition, criminals continue to adapt their techniques and are increasingly focused on targeting customers and clients through ever more sophisticated methods of social engineering, whereas external data breaches also provide criminals with the opportunity to exploit the growing levels of compromised data. A possible violation, or even any suspicion of a violation of these rules, may have serious negative legal and financial consequences as well as negative impact on the Issuer's reputation, which could have a material and adverse effect on the Issuer's business, financial condition, results of operations and prospects.

***The Issuer's operational systems and networks may become vulnerable to an increasing risk of continually evolving cyber security or other technological risks.***

A significant portion of the Issuer's operations rely heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a constant basis. The Issuer stores an extensive amount of information (including personal data) specific to its clients (natural or legal persons) for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. The proper functioning of the Issuer's payment systems, financial and sanctions controls, risk management, credit analysis and reporting, accounting, customer service and other information technology systems and other IT systems, as well as the communication networks existent between the branches and working points of the Issuer and its main data processing centres, is critical to the Issuer's operations. If the respective services cannot be supplied uninterruptedly, particularly in the case where updates may be necessary for a proper delivery of new or extended products and services, then these systems might not support entirely the Issuer's activity, as this activity is conditional upon their continuous and uninterrupted performance.

These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks, the nature of which is continually evolving. The financial sector remains a primary target for cyber criminals, there being an increasing level of sophistication in both, criminal and nation state hacking for the purpose of stealing money, stealing, destroying or manipulating data, and/or disrupting operations. The Issuer's computer systems, software and networks may become vulnerable to unauthorised access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties or may result from accidental technological failure. If one or more of these events occur, it could result in the disclosure of confidential client information, damage to the Issuer's reputation with its clients and the market, additional costs to the Issuer (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to the Issuer. Such events could also cause interruptions or malfunctions in the operations of the Issuer (such as the lack of availability of the Issuer's online banking systems), as well as the operations of its clients, customers or other third parties. Disaster recovery, security and service continuity protection measures that the Issuer has undertaken or may undertake in the future may be insufficient to prevent losses caused. Given the volume of transactions at the Issuer, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Issuer does business under stringent contractual agreements may also be sources of cyber security or other technological risks. Unauthorised access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Issuer as those discussed above. The risks associated with cyber security and other technological risks might generate disruptions that, if persistent, might significantly affect the Issuer's business, prospects, results of operations and financial condition.

***The Issuer may be unable to attract and retain key personnel, directors, managers, employees and other individuals without whom the Issuer may not be able to manage its business effectively.***

The Issuer depends on the availability and continued service of a relatively small number of key managers, employees and other individuals. These key individuals are heavily involved in the daily operation of Issuer's business and are, at the same time, required to make strategic decisions, ensure their implementation and manage and supervise our development. The loss of any of these key individuals could significantly impede our financial plans, product development, network expansion, marketing and other plans.

In addition, competition for qualified executives in the Romanian financial services industry is intense. The Issuer's future results depend, in a significant part, upon the continued contributions of its existing management and its ability to expand the senior management team by adding highly skilled new members, who may be difficult to identify and recruit. If any of the Issuer's senior executives or other key individuals ceases their employment or engagement, the Issuer's business, prospects, results of operation and financial condition could be materially adversely affected. Additionally, this may result in disruption to service which could in turn lead to disenfranchising certain customer groups, customer detriment and reputational damage.

***The Issuer may experience labour shortages in the context of the ongoing COVID-19 pandemic.***

Any labour shortages, increased labour costs or other factors affecting labour supply could adversely affect the Issuer's business, prospects, results of operation or financial condition.

In the context of the COVID-19 pandemic, employees of the Issuer which can work remotely have been instructed to do so. However, there are certain aspects of the Issuer's business that may require on-site work. Although the Issuer has implemented safety and business continuity protocols, there is no assurance that the supply of employees would not be disrupted or that the Issuer's employees' costs would not increase due to illness or refusal to work on-site due to perceived risk of contagion. Any failure to identify and recruit replacement workers could reduce the Issuer's competitiveness and have an adverse effect on its business and operations.

If the Issuer fails to manage its existing workforce and/or recruit sufficient employees in a timely manner during the health emergency caused by COVID-19 pandemic, the Issuer's business, prospects, results of operation or financial condition could be materially adversely affected.

***The Issuer may undertake future acquisitions on an opportunistic basis.***

The Issuer may undertake, on an opportunistic basis, additional acquisitions in the future in the existing business lines of the Issuer or in other businesses complementary to them. The main risk of such transactions lies in the fact that the real financial benefits of the potential acquisition cannot be guaranteed to be in line with the ones estimated when the decision to acquire was made. Also, integration efforts may prove more costly than initially expected and acquisitions may divert management attention or financial or other resources away from the existing business of the Issuer or require additional expenditures. Such developments could have a material adverse effect on the Issuer's business, results of operations and financial condition.

***Any suspension, downgrade or withdrawal of the Issuer's credit ratings by an international rating agency could have a negative impact on its business.***

Any adverse revisions to the Issuer's credit ratings for domestic or international debt by international rating agencies may adversely impact the credit rating of its indebtedness (including the Notes), the Issuer's ability to raise additional financing via debt issuances and the interest rates and other commercial terms under which such additional financing is available. Any suspension, downgrade or withdrawal of the Issuer's credit ratings by an international rating agency could have a material adverse effect on the Issuer's business, liquidity position, competitive position, prospects, results of operations and financial condition.

***Derivative transactions may expose the Issuer to unexpected risk and unforeseen losses.***



The Issuer may be party to certain derivative transactions, such as interest rate swap contracts, with financial institutions to hedge against certain financial risks. Changes in the fair value of these derivative financial instruments that are not cash flow hedges, are reported in profit and loss, and accordingly could materially affect our reported results in any period. Moreover, we may be exposed to the risk that Issuer's counterparty in a derivative transaction may be unable to perform its obligations as a result of being placed in receivership or otherwise. In the event that a counterparty to a material derivative transaction is unable to perform its obligations thereunder, the Issuer may experience losses that could have a material adverse effect on our financial condition, financial returns and results of operations.

***Hedging measures might prove to be ineffective. When entering into unhedged positions, the Issuer is directly exposed to the risk of changes in interest rates, foreign exchange rates or prices of financial instruments.***

The Issuer may utilise a range of instruments and strategies to hedge risks. Unforeseen market developments may have a significant impact on the effectiveness of hedging measures. If hedging measures prove not effective, the Issuer may incur losses. Unexpected market developments which cannot be correlated with the Issuer's historical trading patterns may adversely affect the effectiveness of the Issuer's hedging strategies, the results, the operations and the Issuer's business prospects. In a worst-case scenario, an originally hedged position may become an unhedged position due to counterparty's default.

In addition, the Issuer assumes open, i.e. unhedged, positions with respect to interest rates, foreign exchange and financial instruments either in the expectation that favourable market movements may result in profits or it considers certain positions cannot be hedged effectively or at all. These open positions are subject to the risk that changes in interest rates, foreign exchange rates or the prices of financial instruments may result in significant losses.

## **1.2 Economic and political risks**

***There is high uncertainty related to the development of the COVID-19 pandemic in the next period. Also, there is high uncertainty related to the short-term and long-term consequences of the COVID-19 pandemic on the economy and on society. Therefore, the activities of the Issuer and its customers are subject to material uncertainty in the following years.***

Lockdowns have been enacted worldwide following the COVID-19 outbreak in 2019 in order to mitigate the pandemics proliferation and to relieve pressure on healthcare systems. In order to compensate for losses in revenue triggered by lockdowns, the Romanian Government provided transfers and grants to individuals and to companies, guaranties for loans, tax payment deferrals, and moratoria on loan payments. Jobs and companies benefiting from these measures might not continue to be a going concern once the governmental support ceases. As the existing governmental measures disguise the actual impact of the COVID-19 pandemic on the economy, the Issuer cannot reliably estimate the prospective losses from its exposures to debtors.

The further development of the COVID-19 pandemic and the acceptance and effect of vaccination programmes is uncertain. Uncertainty related to the development of COVID-19 pandemics results in uncertainty of economic recovery (timing, amplitude) and the business environment of the Issuer.

The COVID-19 pandemic is likely to result in structural changes with regard to both the economy and the society more broadly such as increased digitalization and remote work and changes in the structure of global value added chains, including an accelerated transition to the green economy. Uncertainties related to such structural changes as to the timing and amplitude exacerbate the determination of suitable business strategies for both the Issuer and its customers. Also, the COVID-19 pandemic could have a long-lasting negative impact on some economic activities, resulting in increased losses on exposures to the relevant sectors.

Interest rates reach historical low levels worldwide as a result of current monetary policy. If the rebound of the economy and of inflation would not materialize as expected, then the low interest rate environment could persist for a longer period, having a negative impact on the profitability of the Issuer. Also, a large spike in inflation triggering a spike in interest rates could have a negative impact on the economy and the financial position of debtors, and so on the profitability of the Issuer.

***Concerns related to the sustainability of the public finances could increase if large public budget deficits persist, keeping the public debt on an upward trajectory. Increase in borrowing costs of the Romanian government could have a negative impact on the Issuer's profitability.***

Public budget deficit in Romania increased considerably in 2020 as a consequence of the COVID-19 pandemic. Such deficit is likely to remain elevated during 2021-2024, being fueled by its large structural component (mainly a facet of an elevated level of pensions and public wages following large increases in the last years). A failure of the Romanian Government to put in place a credible and sustainable fiscal consolidation plan could trigger an increase in risk aversion of investors for Romania. In this case, covering the public funding needs (the public budget deficit and the rollover of the maturing debt) could become more difficult to achieve, while borrowing cost of the Romanian Government could increase. A sharp increase in yields of Romanian government bonds would result in losses for the Issuer given its holdings of such financial instruments. Borrowing cost in the economy will increase as well in this case, limiting economic growth and making difficult for the individuals and companies to take new loans or to service their debt, which would have a negative impact on the profitability of the Issuer.

Over the following years, Romania is eligible to receive funds (transfers and loans) from the European Commission as part of the EU budgets for the periods 2014-2020 and 2021-2027, and as part of the Next Generation EU package. Such foreign capital inflows should foster economic potential and economic growth and ensure funding for the public investments and for the public deficit. A failure to increase the absorption of EU funds would make the fiscal consolidation process more difficult and result in higher borrowing cost in economy and lower profitability of the companies and of the bank.

Indirect taxes (VAT and excises) and direct taxes could be hiked if the fiscal consolidation process fails and the Romanian government faces difficulty to cover public funding needs. This would have a negative impact on the disposable income and financial position of the individuals and companies, lowering their capacity to borrow new money or to repay existing debt. Therefore, revenues of the Issuer could be negatively impacted by an increase in taxation aiming to reduce the public deficit.

The failure of the fiscal consolidation process could trigger a downgrade of the Romania's sovereign rating to non-investment category, making external funding of the country more difficult and more expensive. This would have a negative impact on the economic growth, lowering demand for loans and capacity of debtors to repay their debt. Revenues of the Issuer would be negatively impacted by a downgrade of sovereign rating to non-investment category.

***Any downgrade of Romania's credit ratings by an international rating agency could have a negative impact on the Issuer.***

Any adverse revisions to Romania's credit ratings for domestic or international debt by international credit rating agencies may materially adversely impact the Issuer's credit rating, its ability to raise additional financing and the interest rates and other commercial terms under which such additional financing is available. This could hamper the Issuer's ability to obtain financing, which could have an adverse effect on the Issuer's business, liquidity position, competitive position, prospects, results of operations and financial condition.

***The Romanian Leu can be subject to high volatility.***

The Romanian Leu is subject to a managed-floating exchange rate regime, whereby its value against foreign currencies is determined in the interbank foreign exchange market. The official monetary policy strategy of the National Bank of Romania (the "NBR") is inflation-targeting. The managed-floating exchange rate regime is in line with using inflation targets as a nominal anchor for monetary policy and allowing for a flexible policy response to unpredicted shocks likely to affect the economy. The NBR does not officially target any level or range for the exchange rate. The ability of the NBR to limit volatility of the Romanian Leu is contingent on a number of economic and political factors, including the availability of foreign currency reserves and foreign capital inflows, as well as developments in market sentiment and investors' risk aversion on Romanian economy or on the global financial markets.

The Romanian Leu has gradually depreciated against the euro over the past years (1.9% during 2020, 2.4% during 2019, and 1.5% on average per year during 2016-2020). However, larger fluctuations of the Leu exchange rate should not be excluded. Large macroeconomic imbalances (public budget deficit, current account deficit) suggest that pressures for Leu depreciation against the euro are more likely than ones for leu appreciation going forward. Risks for Leu depreciation could be amplified by a failure of the fiscal consolidation process or by a failure to use the funds made available by the EU in the regular multi-annual budgets or in the Next Generation EU recovery package.

A significant depreciation of the Romanian Leu could adversely affect Romania's economic and financial position. Any higher than expected inflation resulting from the depreciation of the Leu could lead to a reduction in customer purchasing power and erosion of customer confidence in the local currency, which may have a material adverse effect on the Issuer's business, operational results and financial position.

In addition, the economy, the banking system, as well as the Issuer may be negatively affected by the increase of indebtedness and the deterioration of the financial situation of its debtors who have contracted loans in foreign currency, as a result of the RON depreciation.

***The economy of Romania is more vulnerable to fluctuations in the global economy than developed markets. The Issuer may thus be adversely affected by unfavourable conditions in the global economy or volatile equity and credit markets, in particular due to the uncertainty caused by the COVID-19 pandemic.***

The Romanian economy is fully integrated in the global trade and financial flows, with EU member countries accounting for the bulk of these flows. As a result, the performance of Romanian economy depends to a large extent on the developments in the global economy and the global financial markets. Increased global political instability and trade controversies, the COVID-19 pandemic and its permanent consequences on the global economy, slowdown of economic growth at the level of global economy, the availability and cost of credit and episodes of market turbulences could have an adverse impact on both developed and emerging countries, such as Romania.

The impact of global economic developments historically is often felt more strongly in emerging markets, such as Romania, than it is in more mature markets. Many emerging economies are less economically developed and rely to a large extent on external demand and on foreign borrowing. As happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could lead the Romanian economy to face severe liquidity constraints, causing it to, among other things, raise tax rates or impose new taxes. Also, recession episodes on external markets will have a negative impact on exporting companies. Negative developments in, or the general weakness of, the Romanian economy, in particular increasing levels of unemployment, may have a direct negative impact on the debt servicing capabilities of the Issuer's customers. The Issuer can provide no assurances that a deterioration of the Romanian economy will not lead to a higher number of defaulting customers. Therefore, a weak economy and negative economic development may jeopardise the Issuer's growth targets and may have a material adverse effect on the Issuer's business, prospects, results of operations and financial condition.

In addition, Romania has undergone substantial political, economic and social change in recent years. As is typical of emerging markets, it does not possess the full business, legal and regulatory infrastructure that would generally exist in more mature free market economies. In addition, the tax legislation in Romania is subject to varying interpretations and changes, which can occur frequently.

Moreover, Romania has experienced periods with significant political instability. In particular, for the past several years, the political environment in Romania has been unstable, dominated by political conflict and under significant pressure from massive street protests. Conflicts between the Government, the Parliament and the country's President may lead to political and social turmoil, which could hinder policymaking, as well as slow down economic development and institutional reforms.

Therefore, the performance of the Romanian economy remains largely dependent upon the developments in the global economy, equity and credit markets, as well as effectiveness of economic, financial and monetary measures undertaken by its government, together with tax, legal, regulatory, and political developments. Any potential Issuer's failure to manage the risks associated with its business in emerging

markets could have a material adverse effect on its business, reputation, operational results and financial position.

***Concerns related to potential social, political and military conflicts in the region may have consequences, which may adversely affect the Issuer's business.***

The ongoing political and military instability in regions neighbouring Romania (marked by the conflict between Ukraine and the Russian Federation, as well as by the increased political instability in the Republic of Moldova), although without a significant impact on Romania, may cause materially adverse economic conditions, social turmoil or, in a worse case, military confrontation in the region. Effects are to a large extent unpredictable but may include a drop in investments caused by uncertainty in the region, causing also significant currency fluctuations, increases in interest rates, decreases in the availability of credit, trading and capital flows and increases in energy prices. These and other unforeseen negative effects of the crises in the region could have a material adverse effect on the Issuer's business, prospects, operational results and financial position.

***Corruption could create a difficult business climate in Romania.***

Corruption is one of the main risks confronting companies with business operations in Romania. International and local media, as well as international organizations, have issued numerous alerting reports on the level of corruption. For example, the 2020 Transparency International Corruption Perceptions Index, which evaluates data on corruption in countries throughout the world and ranks countries from 0 (least corrupt) to 100 (most corrupt), ranked Romania in the 69 position (2020 score: 44; 2019 score: 44; 2018 score: 47; 2017 score: 48).

Corruption has been reported to affect the judicial systems and some of the regulatory and administrative bodies in Romania, which may be relevant for the Issuer's business. Although it is difficult to predict all of the effects of corruption on the Issuer's operations, it can, among other things, slow down approvals of regulatory permits and licenses needed to conduct the business. Therefore, corruption could have an adverse effect on the Issuer's business, prospects, operational results or financial position.

***Romania's difficulties related to its post-accession process to the European Union may adversely affect the Issuer.***

Romania entered the European Union in January 2007 and continues to undergo legislative changes due to its accession to and its continued integration with the EU. As part of the accession process, the European Union has established a series of measures for Romania in order to fulfil basic EU membership requirements. The European Commission was tasked with monitoring Romania's progress, which it does by issuing annual compliance reports. The European Commission's progress reports and follow ups on the Co-operation and Verification Mechanism are closely following the progress and the issues that need to be further addressed. The reports issued on 13 November 2018 and on 22 October 2019, show that the developments have reversed the course of progress on issues which the European Commission considered positively in January 2017. Following the elections for the Romanian Parliament in December 2020, one could expect tackling of the issues that were at risk of being reopened. This concerns progress on judicial independence and judicial reform and tackling high-level corruption and, as a result, additional recommendations were made.

Unless satisfactory actions are taken in relation to aspects which are currently monitored through the Co-operation and Verification Mechanism, Romania could face EU sanctions, which could have a material adverse effect on financial operations, investments and capital flows in the country, and consequently, on the Issuer's business, prospects, operational results and financial position. Such sanctions may take the form, for example, of a temporary suspension of the application of relevant provisions governing the relations of Romania with any other EU member state or member states or the suspension of member states' obligations to recognize and enforce, under the conditions laid down in EU law, Romanian judgments and judicial decisions.

### **1.3 Risks relating to legal and regulatory matters and litigation**

***Romania may react to economic and financial crises with increased protectionist measures.***

Romania could take various measures to protect the national economy, currency or fiscal income in response to financial and economic crises (including any economic downturn, recession and market volatility caused by the COVID-19 pandemic and the related containment measures), including among other things:

- order loans denominated in foreign currencies (such as EUR, USD or CHF) to be converted into local currencies at set interest and/or exchange rates, in some cases below market rates (such as happened in Hungary), or allow loans to be assumed by government entities, potentially resulting in a reduction in value of such loans;
- 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); and
- introduce or amend laws and regulations, as well as extend measures, previously introduced on a temporary basis (such as any moratorium on bank loan payments) or apply additional regulatory obligations on financial institutions or which are relevant, directly or indirectly, to the banking sector.

One example of such legislative action in the banking sector is the enactment of Law no. 77/2016 on the discharge of debt obligations arising from credit agreements by “payment in kind” through the transfer of certain immovable property (“**Law no. 77/2016**”).

The Law no. 77/2016 allows for the discharge in full of any loans contracted by a natural person and secured by a mortgage arrangement, including any accessories in connection therewith. It applies to credit agreements concluded both, after its entry into force as well as to all outstanding credit agreements, regardless if the collateral was enforced in full or not. Also, it applies to both performing and non-performing loans, but exempts the loans granted under the governmental backed programme Prima Casa (and loans exceeding EUR 250,000). The adverse impact of the law was initially diminished by the decision of the Constitutional Court according to which the law applied only in case of hardship. Pursuant to the amendment of the Law no. 77/2016 based on the Law no. 52/2020 on the amendment and supplement of the Law no. 77/2016 (“**Amendment Law**”), as of 16 May 2020, among others, (i) hardship is a separate legal requirement for application of Law no. 77/2016 and is defined by this law (as opposed under the Civil Code) as the situation whereby during the performance of the credit agreement, the foreign exchange rate of the loan currency, applicable for buying the currency of the loan, registers (as at the date of sending a notification for “payment in kind”) an increase of over 52.6% (as compared to the date of the conclusion of the credit agreement) or the monthly payment obligation increases by more than 50% as a result of the increase of the floating interest rate. According to Law no. 77/2016 (i) for Law no. 77/2016 to apply the relevant aforementioned thresholds must be applicable for the six-month period prior to the submission of a notification for “payment in kind” under the Law no. 77/2016; (ii) it shall be deemed hardship also if an enforcement was carried out against mortgaged real estate of the debtor making the notification for “payment in kind” but the enforcement continues against the said debtor in view of settlement of the initial outstanding amounts not covered by enforcement of the asset; (iii) the hardship is presumed by law as being met in favour of the debtor making the notification for “payment in kind”; and (iv) all enforcement procedures started (including garnishments) against the consumer are automatically stayed as at the communication of the notification for “payment in kind”. The unconstitutionality of the Amendment Law is currently pending review before the Constitutional Court of Romania.

Another legislative development aimed at protecting consumers is Law no. 151/2015 on bankruptcy of individuals (“**Law no. 151/2015**”), which entered into force on 1 January 2018, and sets out class proceedings aimed at facilitating the financial recovery of individual debtors acting in good faith. Law no. 151/2015 was met by criticism from insolvency professionals, who highlighted the lack of creditor representation, restricted access to judiciary proceedings and lack of clear procedures for debt enforcement and liquidation.

Moreover, the NBR limited the debt-service to income threshold for loans granted to natural persons (both mortgage loans and consumer loans), in order to limit the level of indebtedness of natural persons. This change may lead to a decrease in the number of loans that credit institutions can provide to consumers.

The consumer protection legislation is constantly changing and currently, there are several consumer protection legislative proposals, specifically targeting lending, imposing, *inter alia*, additional requirements for concluding and enforcing loans and security agreements (*i.e.*, a legislative proposal is to strip these agreements of their status as “writ of execution”, thus instituting additional enforcement procedures, increased protection against enforcement proceedings having as object the debtor’s housing, decreased costs and requirements for consumers upon contesting the enforcement proceedings, requirement for possibility of credit agreement recalibration), allowing customers to request conversion of foreign currency loans at an exchange rate equal to the one applicable at the date of the loan being granted, plus 20%), capping the recoverable amount in case the loan was transferred to another lender (to the amount received by the original lender as price), capping the recoverable amount in an enforcement proceeding, as well as the amount of receivables assigned as security for a loan, instituting the rule, in collective action suits, for the court to rule *ex officio* on the matter of restitution to consumers which are part of the portfolio (*i.e.*, even if they are not part of the initial proceedings). As a recent development, on 11 December 2019, the Senate adopted a number of these proposals (the Senate being the first parliamentary chamber voting on the relevant proposal, with the legislative process moving on to a vote in the Chamber of Deputies).

In addition to the above, proposed amendments to the statute of the Romanian consumer protection regulator seek to raise fines that may be applied to economic operators.

Such changes in consumer protection laws could limit the fees that banks may charge for certain products and services or may add additional cumbersome measures to be taken by the Issuer. If introduced, such laws could have a material adverse effect on the Issuer’s business, financial condition, results of operations and prospects.

Any of these or similar initiatives may result in significant losses for creditors, affecting profitability and solvency, and may lead to systemic risks becoming manifest. The legislative uncertainty associated with the banking sector also leads to tighter credit standards and lower financial intermediation. All these legislative uncertainties are fueled also by envisaged changes at the EU level consisting of the new deal for consumers package which was announced in April 2018. Any of these or similar governmental actions could have a material adverse effect on the Issuer’s business, financial condition, results of operations, liquidity or prospects.

***The Issuer is subject to substantial regulation and supervision. Any new governmental or regulatory requirement and/ or any change in perceived levels of adequate capitalisation and leverage could subject the Issuer to increased capital and MREL requirements and require the Issuer to obtain additional capital or liquidity in the future.***

The Issuer has to comply with complex regulatory requirements at all times. Such requirements tend to evolve and become more extensive and stricter. Compliance with such requirements, including the ongoing monitoring and implementation of new or amended rules and regulations, causes significant costs and effort for the Issuer. Any (factual or even only alleged) breach of such requirements may result in major regulatory measures and may trigger considerable legal and reputational risks. Any legislative or regulatory actions and any required changes to the business operations of the Issuer resulting from changes to applicable regulation, as well as any deficiencies in the Issuer’s compliance with applicable regulation, could result in significant loss of revenue, limit the Issuer’s ability to pursue business opportunities in which it might otherwise consider engaging, affect the value of assets that it holds, require the Issuer to increase the prices for its services (and thereby adversely impact on the demand for its products and services), impose additional compliance and other costs on the Issuer or otherwise adversely affect its business. The Issuer may be requested to comply with higher capital and liquidity requirements and may incur substantial costs related to the monitoring and meeting these requirements, as detailed below.

Revised rules on capital and liquidity, *i.e.*, Regulation (EU) No. 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the

net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012 (“**CRR2**”) and Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (“**CRD V**”) were published in the Official Journal on 7 June 2019 following a legislative process which began at the end of 2016.

The requirements stipulated by CRD V are not yet implemented into Romanian law and may impact on the Issuer once they enter into force. Member States must adopt and publish, by 28 December 2020, the measures necessary to comply with this directive, and they should apply those measures as from 29 December 2020 (save for specific measures to be applied at a later stage). As of the date of this Prospectus, Romania has not implemented the CRD V. CRR2 shall as a general rule apply from 28 June 2021, however a number of provisions of CRR2 are already in force since 27 June 2019, including certain provisions related to own funds and the provisions on the introduction of the new requirements for own funds and eligible liabilities. The impact of the new provisions on the Issuer cannot be assessed conclusively at the date of this Prospectus. The Issuer is in the process of considering how these new provisions may affect it.

The new rules impose, *inter alia*:

- A binding leverage ratio requiring institutions to maintain Tier 1 capital of at least 3% of their non-risk-weighted assets. An additional leverage ratio buffer will apply to global systemically important institutions (“**G-SIIs**”). Unlike the Basel III standard, CRR2 allows initial margin to reduce the exposure measure when applying the leverage ratio to derivatives.
- A net stable funding requirement (“**NSFR**”). Unlike the liquidity coverage ratio (which focuses on the quality and liquidity of institutions’ assets), the NSFR focuses on the liabilities side of the balance sheet and is designed to ensure that exposures are broadly matched with stable funding sources. The NSFR has been calibrated with a view to avoiding disruption to EU covered bond, derivatives and repo markets with discrete divergences from the international standard.
- A new approach to market risk, which reflects the Basel Committee’s Fundamental Review of the Trading Book (“**FRTB**”). Initially the new framework will only apply as a reporting requirement. Since work on FRTB is continuing at the level of the Basel Committee, the new framework will only be implemented as a binding capital requirement in the EU at a later date, subsequent to a separate legislative proposal from the Commission.
- A new approach to counterparty credit risk (“**SA-CCR**”), CRR2 constituting the EU’s implementation of the new Basel standardised approach to SA-CCR. The new approach is more risk sensitive, providing better recognition of hedging, netting, diversification and collateral.

On 7 December 2017, the Basel Committee on Banking Supervision (BCBS) published, under the header “*Finalising Basel III post-crisis reforms*” the revised capital requirements frameworks for credit risk and operational risks. The revisions seek to restore credibility in the calculation of risk-weighted assets and improve the comparability of banks’ capital ratios by: (i) enhancing the robustness and risk sensitivity of the standardized approaches for credit risk, credit valuation adjustment risk and operational risk; (ii) constraining the use of the internal model approaches, by placing limits on certain inputs used to calculate capital requirements under the internal ratings-based approach for credit risk and by removing the use of the internal model approaches for credit valuation adjustment risk and for operational risk; (iii) introducing a leverage ratio buffer to further limit the leverage of global systemically important banks; and (iv) replacing the existing Basel II output floor with a more robust risk-sensitive floor based on the BCBS revised Basel III standardised approach. There is a high degree of uncertainty with regards to the proposed new frameworks, and subsequently how and when this will be implemented in the EU. It is thus too early to draw firm conclusions regarding the impact of the potential future capital requirements, and consequently how this will affect the capital requirements.

More generally, the risk of non-compliance with different legal and regulatory requirements and any adverse changes thereto, may potentially negatively affect the Issuer's current business model, internal policies and results, this risk being particularly relevant for the Issuer.

Any non-compliance or failure to address these issues properly, could lead to additional legal risk and financial losses, as a result of regulatory fines or reprimands, litigations, or reputational damage, and in extreme scenarios, to the suspension of operations or even withdrawal of authorization to pursue business. Additional regulations or changes in the applicable laws, could add significant costs or operational constraints that may have a negative impact on the Issuer's business, financial condition and prospects.

The Bank Recovery and Resolution Directive provisions may have a material adverse effect on the investment in the Notes, there being a risk for Holders of losing their investment, as well as on the Issuer's business, financial condition, results of operations and prospects.

The Bank Recovery and Resolution Directive (the "**BRRD**", Directive 2014/59/EU on the Bank Recovery and Resolution of credit institutions and investment firms), has been modified by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the Bank Recovery and Resolution Directive as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC ("**BRRD2**"). Although BRRD2 has been adopted and published in the Official Journal of the European Union, the changes made by BRRD2 are not yet in force under Romanian law. In accordance with Article 3 of BRRD2, Romania must bring into force the laws, regulations and administrative provisions necessary to comply with BRRD2 by 28 December 2020 and shall apply those measures as from the date of their entry into force in national law, which shall be no later than 28 December 2020. However, at the date of this Prospectus, BRRD2 has not been implemented into Romanian law. The overall impact of BRRD2 on the Issuer will need to be assessed by the Issuer once the new framework enters into force. Amendments made relate in particular to minimum requirements of own funds and of eligible liabilities ("**MREL**") requirements and confer on the resolution authorities additional powers.

The BRRD and Regulation (EU) No 806/2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 ("**SRMR**") recognise as resolution strategies both, a single or multiple point-of-entry ("**SPE**" and "**MPE**") approach. In an SPE approach a failing bank subsidiary is recapitalised by using instruments issued by the group parent, the proceeds being down-streamed to the failing subsidiary, while in an MPE approach a failing bank subsidiary is recapitalised by using instruments issued by the failing subsidiary itself. By applying the SPE approach, the shareholder structure of the parent entity may undergo change as a result of the resolution, whereas by applying the MPE approach, the shareholder structure of the failing subsidiary is the one that may be subject to change, with the shareholding structure of the parent entity remaining the same.

The Group has received approval from NBR to adopt a multiple point-of-entry (MPE) resolution strategy, meaning that in case of resolution the Group will be recapitalised by instruments issued by the Group and not by instruments issued by the RBI Group parent entity (as would happen in a single point of entry resolution).

The relevant minimum contribution is determined yearly by the competent resolution authority under the applicable banking laws. If the competent resolution authority requests an increase of the Issuer's MREL, this could require the Issuer to issue additional eligible liabilities at substantial costs. This could have a material adverse impact on the Issuer's profitability and financial situation.

Moreover, 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 Notes. In particular, under the bail-in tool, the resolution authorities may order a write-down of the Notes or convert them into CET 1 instruments. Apart from potentially being subject to resolution tools and exercise of other powers as set out under the Romanian Recovery and Resolution Act, the Issuer may also be subject to the regime instituted by the general national bankruptcy proceedings for credit institutions. Compliance



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

The Issuer is subject to rules and regulations regarding anti-money laundering, anti-terrorism financing and anti-corruption. These rules and regulations have been tightened in recent years and may be further tightened and more strictly enforced in particular following the implementation of the fourth anti-money laundering directive (Directive (EU) 2015/849 of the European Parliament and of the Council) and the fifth anti-money laundering directive (Directive (EU) 2018/843), as enacted in Romania by Law no. 129/2019 on the prevention and combating of money laundering and terrorist financing, amending and supplementing certain legal acts (“**Law no. 129/2019**”), as further amended, *inter alia*, by Emergency Government Ordinance no. 111/2020 on the amendment and supplement of Law no. 129/2019. 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. The Issuer 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 the Issuer’s business, financial condition, results of operations, liquidity or prospects.

***Applicable Romanian insolvency and bankruptcy laws, as well as other laws and regulations governing creditors’ rights may limit the Issuer’s ability to obtain payments on defaulted loans and advances.***

Romanian bankruptcy and enforcement laws may not offer in all respect the same level of rights, remedies and protections that creditors enjoy under the legal regimes in other EU jurisdictions. In particular, Romanian bankruptcy and enforcement laws and practice may make it comparatively more difficult and time-consuming for the Issuer to recover amounts in respect of its secured and unsecured claims before the Romanian courts. In recent years, insolvency in Romania witnessed mixed dynamics, *i.e.*, the number of companies having declared themselves insolvent shrank by half, yet this favourable evolution was offset by a larger incidence of such cases among large companies. Insolvent companies, as well as the companies reporting net losses, have largely been responsible for the worsening payment discipline across the economy. Considering that a significant part of the Issuer’s assets are due from debtors and/or secured by assets that are or are likely to be in the future subject to Romanian bankruptcy and enforcement laws, the above could adversely affect the Issuer’s business, financial condition, results of operations, liquidity or prospects and its ability to make payment under the Notes.

Inability to obtain effective legal remedies in a reasonably timely manner may adversely affect the Issuer’s business, financial condition, results of operations, liquidity or prospects.

***The Issuer may be subject to fines, awards of damages or other penalties arising from legal proceedings, contractual claims and disputes, as well as negative publicity arising therefrom.***

In the context of its day-to-day operations the Issuer is exposed to litigation risk, among others, as a result of changing and developing consumer protection legislation and legislation on the provision of banking and investment services.

In addition, the Issuer may be adversely affected by other claims (contractual or otherwise), complaints and litigation, including from counterparties with whom it has contractual relationships, customers, competitors or regulatory authorities, as well as any adverse publicity that it may attract. Any such litigation, complaints, contractual claims, or adverse publicity could have a material adverse effect on the Issuer’s business, reputation, results of operation and financial condition.

***The Issuer is obliged to contribute to the Single Resolution Fund and to the deposit guarantee fund.***

In accordance with the provisions of the Romanian Recovery and Resolution Act, along with Commission Delegated Regulation (EU) 2015/63, credit institutions (including the Issuer) are obliged to pay annual regular contributions to the bank resolution fund, the level being established by the local resolution authority, namely the NBR for the Issuer. The Single Resolution Fund (“**SRF**”) shall be gradually built up

during the initial period of eight years (2016 – 2023) and shall reach the target level of at least 1% of the amount of covered deposits of all credit institutions (including the Issuer) authorised in Romania by 31 December 2023. Directive 2014/49/EUR (Directive on deposit guarantee schemes) has been implemented locally through the Romanian Act no. 311/2015 on deposit guarantee schemes and the guarantee fund for banking deposits (*Legea nr. 311/2015 privind schemele de garantare a depozitelor si Fondul de garantare a depozitelor bancare*). Such legislation stipulates a target level of the *ex-ante* financed deposit guarantee fund of 0.8% of covered deposits which shall be fully composed by contributions of its members (including the Issuer) until 3 July 2024. If required, the Issuer may also be obliged to make certain extraordinary (*ex post*) contributions to the SRF and the deposit guarantee fund.

The Issuer's obligation to make such contributions may result in additional financial burden for the Issuer and may have negative impact on its financial position and results of operation.

***Handling customer personal data represents a significant part of the Issuer's daily activity, and a leakage of such data might violate the applicable laws and regulations.***

The Issuer accumulates, stores and uses in its operations data which are protected by data protection laws. Although the Issuer takes precautions to protect customer data in accordance with the applicable privacy requirements, it is possible that there may be data leakages in the future. In addition, the Issuer works with service providers or third-parties commercial partners, which may not fully comply with the relevant contractual terms and all data protection obligations imposed on them.

The financial services sector has become increasingly digitalized, automated and online-based in recent years, increasing the Issuer's exposure to risks of unauthorized or unintended data release through hacking and general information technology system failures. Unanticipated information technology problems, system failures, computer viruses, intentional/unintentional misuses, hacker attacks or unauthorized access to the Issuer's network or other failures could result in a failure to maintain and protect customer data in accordance with applicable regulations and requirements and could affect the quality of the Issuer's services, compromise the confidentiality of its customer data or cause service interruptions, and may result in the imposition of fines and other penalties. Also, starting with the application of the General Data Protection Regulation (EU) 2016/679 on 25 May 2018, the Issuer is subject to extensive data processing requirements, the breach of which may entail several types of sanctions, including fines of up to EUR 20 million or up to 4% of the overall turnover (whichever is the greater); in addition, if they have suffered damage, the persons concerned may obtain compensation to cover the amount of such damage and their rights may also be represented by collective bodies.

Therefore, should any violations of data protection laws be identified to have been committed by the Issuer, they may result in fines, claims for damages, prosecution of relevant employees and managers, reputational damage and loss of customers and may have a material adverse effect on the Issuer's business, prospects, results of operation and financial condition.

***The legal and judicial system in Romania is less familiar with investments in securities, such as the Notes, than other European countries, which makes an investment in the Notes riskier than investments in securities of an issuer that operates in a more developed legal and judicial system.***

The legal and judicial system in Romania is less familiar with investments in securities such as the Notes than those of other European countries. Commercial law, competition law, securities law, company law, bankruptcy law and other areas of law are relatively new as such to local judges. At the same time, such legal provisions have been and continue to be subject to constant changes as new laws are being adopted as to the transition to a market economy and EU legislation. Existing laws and regulations may be applied inconsistently in Romania or may be interpreted in an unexpected manner. Further, a degree of uncertainty exists that legal remedies can be obtained in a timely manner in Romania. The relatively limited experience of a significant number of the competent governmental authorities, specifically with regard to capital markets issues and the existence of a number of issues relating to the independence of the judiciary system may lead to ungrounded decisions or to decisions based on considerations that are not grounded in the law.

In addition, the processing of legal remedies may at times involve extensive delays. The court system in Romania is insufficiently funded relative to other European countries. The enforcement of judgments may

also prove difficult and be subject to delays, especially where such judgments may lead to closure of businesses or job losses. This lack of legal certainty and the inability to obtain effective legal remedies in a timely manner may adversely affect the Issuer's business and may also make it difficult for investors in the Notes to enforce their claims against the Issuer.

## **1.4 Other material risks**

### ***Brexit creates political and economic uncertainty and risks which may negatively affect the European financial markets and the Issuer's business***

The referendum resulting in the United Kingdom of Great Britain and Northern Ireland to leave the European Union ("**Brexit**"), has created volatility in the global financial markets and could contribute to prolonged uncertainty around certain aspects of the European and global economies, as well as European companies and consumers. Brexit took place on 31 January 2020 and the United Kingdom's participation in the European Union Customs Union and European Single Market ended on 31 December 2020. Brexit and its implications could adversely affect European and worldwide economic conditions, and could contribute to greater instability, in the global financial markets before and after the terms of the United Kingdom's future relationship with the European Union are set. Brexit could also affect the general political environment in the European Union, as well as the stability and standing of the European Union as a single market.

Until more clarity is available around the legal, political and economic realities following Brexit, political and economic uncertainty, notably in European markets, may occur, which could lead to a downturn in the markets in which the Issuer operates and a decrease in spending and investment.

### ***The Issuer's major shareholder may be able to control shareholder actions.***

As of the date of this Prospectus, the majority of voting rights in the Issuer is held by Raiffeisen SEE Region Holding GmbH (with a stake of 99.92% of the shares). Raiffeisen SEE Region Holding GmbH is indirectly held by Raiffeisen Bank International AG. Hence, Raiffeisen Bank International AG exercises direct control over the issuer through the majority of voting rights and, implicitly, through the right to appoint most of the members in the Issuer's supervisory board.

As a result, Raiffeisen Bank International AG is able to control the outcome of most decisions requiring shareholder approval. Therefore, it is possible that Raiffeisen Bank International AG may exercise or be expected to exercise control over the Issuer in ways that may not be in the interest of other shareholders and which may also affect the Issuer.

## **2. Risk Factors Relating to the Notes**

### **2.1 Risks relating to the regulatory classification of the Notes**

#### **Particular risks relating to the Ordinary Senior Notes**

#### ***Holders of the Ordinary Senior Notes are exposed to the risk of statutory loss absorption.***

The relevant resolution authorities are provided with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) Common Equity Tier 1 ("**CET 1**") items; (ii) Additional Tier 1 ("**AT 1**") instruments; (iii) Tier 2 instruments (such as the Subordinated Notes); (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (such as the Non-Preferred Senior Eligible Notes); and (vi) the rest of bail-inable liabilities (such as the Ordinary Senior Notes, the Ordinary Senior Eligible Notes ) in accordance with the order of the payment of claims in bankruptcy proceedings, including the ranking provided for in § 234 of the Romanian Insolvency Act, to the extent required.

If the bail-in tool is applied to the Issuer, the principal amount of the Ordinary Senior Notes may be fully or partially written down or converted into instruments of ownership.

***In case of an insolvency of the Issuer, certain deposits and other claims have a higher ranking than claims resulting from the Ordinary Senior Notes.***

According to § 234 of the Romanian Insolvency Act, in bankruptcy proceedings (*faliment*) opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the coverage level provided for in the legislation regarding deposit guarantee schemes; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they are not made through branches (located outside the EU) of institutions established within the EU;
- (c) ordinary unsecured claims (such any claims resulting from the Ordinary Senior Notes); and
- (d) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (so-called “non-preferred senior debt instruments”), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking towards the ordinary unsecured claims under § 234 paragraphs 1 to 7 of the Romanian Insolvency Act.

In addition, the insolvency hierarchy under the Romanian Insolvency Act stipulates further claims that rank senior to claims listed above at point (c) (e.g. claims to expenses regarding the bankruptcy proceedings, budgetary claims) (“**Further Preferred Claims**”). Therefore, in case of bankruptcy proceedings (*faliment*) and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the Ordinary Senior Notes are junior to (i) the Further Preferred Claims (as applicable) and (ii) the claims listed in points (a) and (b). For this reason, any payments on claims resulting from the Ordinary Senior Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

***Holders of the Ordinary Senior Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities.***

There may be no restrictions (contractual or otherwise) on the amount of debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking *pari passu* with the Ordinary Senior Notes.

Any issue of such instruments and/or any incurring such liabilities may reduce the amount recoverable by Holders of the Notes upon the Issuer's insolvency (*faliment*).

#### **Particular risks relating to the Subordinated Notes**

***Holders of the Subordinated Notes are exposed to the risk of statutory loss absorption.***

The relevant resolution authorities are provided with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called “loss absorbing cascade”): (i) CET 1 items; (ii) AT 1 instruments; (iii) Tier 2 instruments (such as the Subordinated Notes); (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (such as the Non-Preferred Senior Eligible Notes); and (vi) the rest of bail-inable liabilities (such as the Ordinary Senior

Notes, the Ordinary Senior Eligible Notes) in accordance with the order of the payment of claims in bankruptcy proceedings, including the ranking provided for in § 234 of the Romanian Insolvency Act, to the extent required.

Furthermore, where the Issuer meets the conditions for resolution and the resolution authority decides to apply a resolution tool to the Issuer, the resolution authority shall exercise the write down or conversion power in relation to relevant capital instruments (i.e. CET 1, AT 1 and Tier 2 instruments) before applying any resolution tool (other than the bail-in tool).

If the power of write-down or conversion of relevant capital instruments or the bail-in tool is applied to the Issuer, the principal amount of the Subordinated Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected.

***In case of an insolvency of the Issuer, deposits and senior unsecured claims have a higher ranking than claims resulting from the Subordinated Notes.***

According to § 234 of the Romanian Insolvency Act, in bankruptcy proceedings (*faliment*) opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the coverage level provided for in the legislation regarding deposit guarantee schemes; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they are not made through branches (located outside the EU) of institutions established within the EU;
- (c) ordinary unsecured claims; and
- (d) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (so-called “non-preferred senior debt instruments”), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking towards the ordinary unsecured claims under § 234 paragraphs 1 to 7 of the Romanian Insolvency Act.

In addition, the insolvency hierarchy under the Romanian Insolvency Act stipulates further claims that rank senior to claims listed above at point (c) (e.g. claims to expenses regarding the bankruptcy proceedings, budgetary claims) (“**Further Preferred Claims**”).

Therefore, in case of bankruptcy proceedings (*faliment*) and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the Subordinated Notes are junior to (i) the Further Preferred Claims (as applicable) and (ii) the claims listed in points (a) to (d). For this reason, any payments on claims resulting from the Subordinated Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

***The Subordinated Notes do not give the right to accelerate future payments, and also may not be subject to set-off or any guarantee.***

The Terms and Conditions of the Subordinated Notes do not provide for any events of default and Holders of the Subordinated Notes do not have the right to accelerate any future scheduled payment of interest or principal.

Furthermore, the Subordinated Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are neither secured nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the Subordinated Notes.

***The Subordinated Notes may not be redeemed at the option of the Holders.***

Holders of the Subordinated Notes will have no rights to call for the early redemption of their Subordinated Notes.

Therefore, potential investors should not invest in the Subordinated Notes in the expectation that they have an early redemption right. Furthermore, Holders of the Subordinated Notes should be aware that they may be required to bear the financial risks of an investment in the Subordinated Notes until their final maturity.

***Holders of the Subordinated Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities.***

There may be no restrictions (contractual or otherwise) on the amount of (ordinary unsecured or subordinated) debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking *pari passu* with or senior to the Subordinated Notes.

Any issue of such instruments and/or any incurring such liabilities may reduce the amount recoverable by Holders of the Subordinated Notes upon the Issuer's insolvency.

***The Subordinated Notes may be redeemed at any time for reasons of taxation or regulatory reasons.***

If such right is foreseen in the Final Terms, the Issuer may at its sole discretion, early redeem the Subordinated Notes before their stated maturity (also before five years after the date of their issuance), at any time either for reasons of taxation.

Similarly, the Issuer may at its sole discretion, early redeem the Subordinated Notes before their stated maturity (also before five years after the date of their issuance), at any time either for regulatory reasons.

***Any rights of the Issuer to early redeem or repurchase the Subordinated Notes are subject to the prior permission of the competent authority and resolution authority.***

Potential investors should not invest in the Subordinated Notes in the expectation that any early redemption right will be exercised by the Issuer.

The Issuer may, at its sole discretion, early redeem the Subordinated Notes at any time either for reasons of taxation or regulatory reasons. In addition, if such right is foreseen in the terms and conditions, the Issuer may at its sole discretion redeem the Subordinated Notes before their stated maturity, but not before five years after the date of their issuance, on a specified call redemption date.

Any early redemption and any repurchase of the Subordinated Notes is subject to the prior permission of the competent authority and the resolution authority, all if and as applicable from time to time to the Issuer. Under the CRR, the competent authority and the resolution authority may only permit institutions to early redeem or repurchase Tier 2 instruments (such as the Subordinated Notes) if certain conditions prescribed by the CRR are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the competent authority and the resolution authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the competent authority and the resolution authority will apply these criteria in practice and such rules and standards may change during the maturity of the Subordinated Notes. It is therefore difficult to predict whether, and if so, on what terms, the competent authority and the resolution authority will grant its prior permission for any early redemption or repurchase of the Subordinated Notes.

Furthermore, even if the Issuer would be granted the prior permission of the competent authority and the resolution authority, any decision by the Issuer as to whether it will early redeem the Subordinated Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). The Issuer disclaims, and investors should therefore not expect (and not invest in the expectation), that the Issuer will exercise any early redemption right in relation to the Subordinated Notes.

***Market making by the Issuer for the Subordinated Notes is subject to the prior permission of the competent authority and the resolution authority and certain conditions and thresholds.***

The Subordinated Notes may be repurchased by the Issuer (also for market making purposes) only subject to certain conditions, such as the prior permission of the competent authority and the resolution authority, and within certain thresholds.

These conditions and thresholds restrict the Issuer's possibility for market making for the Subordinated Notes. Such restrictions may have a negative impact on the liquidity of the Subordinated Notes and may lead to inadequate or delayed market prices for the Subordinated Notes.

#### **Particular risks relating to the Eligible Notes**

***Holders of the Eligible Notes are exposed to the risk of statutory loss absorption.***

The relevant resolution authorities are provided with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the resolution authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 items; (ii) AT 1 instruments; (iii) Tier 2 instruments (such as the Subordinated Notes); (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (so-called "non-preferred senior debt instruments", such as the Non-Preferred Senior Eligible Notes); and (vi) the rest of bail-inable liabilities (such as the Ordinary Senior Notes, the Ordinary Senior Eligible Notes) in accordance with the order of the payment of claims in bankruptcy proceedings, including the ranking provided for in § 234 of the Romanian Insolvency Act, to the extent required.

If the bail-in tool is applied to the Issuer, the principal amount of the Eligible Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected.

***In case of an insolvency of the Issuer, certain deposits and potentially also other senior unsecured claims have a higher ranking than claims resulting from the Eligible Notes.***

According to § 234 of the Romanian Insolvency Law, in bankruptcy proceedings (*faliment*) opened over the Issuer's assets, the following insolvency hierarchy applies to deposits and senior unsecured claims:

- (a) (i) covered deposits; and (ii) deposit guarantee schemes subrogating to the rights and obligations of covered depositors in insolvency;
- (b) (i) that part of eligible deposits from natural persons and micro, small and medium-sized enterprises which exceeds the coverage level provided for in the legislation regarding deposit guarantee schemes; and (ii) deposits that would be eligible deposits from natural persons, micro, small and medium-sized enterprises if they are not made through branches (located outside the EU) of institutions established within the EU;
- (c) ordinary unsecured claims (such any claims resulting from the Ordinary Senior Eligible Notes); and
- (d) unsecured claims resulting from debt instruments within the meaning of § 234<sup>1</sup> of the Romanian Insolvency Act (so-called "non-preferred senior debt instruments", such as the Non-Preferred Senior Eligible Notes), i.e. debt instruments that meet the following conditions: (i) the original contractual maturity of the debt instruments is of at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves; (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking towards the ordinary unsecured claims under § 234 paragraphs 1 to 7 of the Romanian Insolvency Act.

In addition, the insolvency hierarchy under the Romanian Insolvency Act stipulates further claims that rank senior to claims listed above at point (c) (e.g. claims to expenses regarding the bankruptcy proceedings, budgetary claims) (**“Further Preferred Claims”**).

Therefore, in case of bankruptcy proceedings (*faliment*) and any comparable proceedings (such as resolution proceedings) opened in relation to the Issuer, claims resulting from the Ordinary Senior Eligible Notes are junior to (i) the Further Preferred Claims (as applicable) and (ii) the claims listed in points (a) and (b) and claims resulting from the Non-Preferred Senior Eligible Notes are junior to (i) the Further Preferred Claims (as applicable) and (ii) the claims listed in points (a) to (c). For this reason, any payments on claims resulting from the Eligible Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied.

***The Eligible Notes do not give the right to accelerate future payments, and also may not be subject to set-off or any guarantee.***

The Terms and Conditions of the Eligible Notes do not provide for any events of default and the Holders of the Eligible Notes do not have the right to accelerate any future scheduled payment of interest or principal.

Furthermore, the Eligible Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution and are neither secured nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the Eligible Notes.

***The Eligible Notes may be redeemed at the option of the Holders (if at all) only subject to the prior permission of the Resolution Authority.***

If such right is foreseen in the Final Terms, Holders of the Eligible Notes will have the right to call for the early redemption of their Eligible Notes, provided however, only subject to certain conditions, in particular the prior permission of the Resolution Authority.

Therefore, potential investors should not invest in the Eligible Notes in the expectation that they have an early redemption right. Furthermore, Holders of the Eligible Notes should be aware that they may be required to bear the financial risks of an investment in the Eligible Notes until their final maturity.

***Holders of the Eligible Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities.***

There may be no restrictions (contractual or otherwise) on the amount of ordinary unsecured or subordinated debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking *pari passu* with or senior to the Eligible Notes.

Any issue of such instruments and/or any incurring such liabilities or may reduce the amount recoverable by Holders of the Eligible Notes upon the Issuer’s insolvency.

***The Eligible Notes may be redeemed at any time for reasons of taxation or regulatory reasons.***

If such right is foreseen in the Final Terms, the Issuer may at its sole discretion, early redeem the Eligible Notes before their stated maturity, at any time either for reasons of taxation.

In any case, the Issuer may at its sole discretion, early redeem the Eligible Notes before their stated maturity, at any time either for regulatory reasons.

***Any rights of the Issuer to early redeem or repurchase the Eligible Notes are subject to the prior permission of the Resolution Authority.***

Potential investors should not invest in the Eligible Notes in the expectation that any early redemption right will be exercised by the Issuer.



The Issuer may, at its sole discretion, early redeem the Eligible Notes at any time either for reasons of taxation or regulatory reasons. In addition, if such right is foreseen in the Final Terms, the Issuer may at its sole discretion redeem the Eligible Notes before their stated maturity on a specified call redemption date.

Any early redemption and any repurchase of the Eligible Notes is subject to the prior permission of the Resolution Authority, all if and as applicable from time to time to the Issuer. Under the CRR, the Resolution Authority may only permit institutions to early redeem or repurchase eligible liabilities instruments (such as the Eligible Notes) if certain conditions prescribed by the CRR are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Resolution Authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the Resolution Authority will apply these criteria in practice and such rules and standards may change during the maturity of the Eligible Notes. It is therefore difficult to predict whether, and if so, on what terms, the Resolution Authority will grant its prior permission for any early redemption or repurchase of the Eligible Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Resolution Authority, any decision by the Issuer as to whether it will early redeem the Eligible Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions). The Issuer disclaims, and investors should therefore not expect (and not invest in the expectation), that the Issuer will exercise any early redemption right in relation to the Eligible Notes.

***Market making by the Issuer for the Eligible Notes is subject to the prior permission of the Resolution Authority and certain conditions and thresholds.***

The Eligible Notes may be repurchased by the Issuer (also for market making purposes) only subject to certain conditions, such as the prior permission of the Resolution Authority, and within certain thresholds.

These conditions and thresholds restrict the Issuer's possibility for market making for the Eligible Notes. Such restrictions may have a negative impact on the liquidity of the Eligible Notes and may lead to inadequate or delayed market prices for the Eligible Notes.

## **2.2 Risks relating to the nature of the Notes**

### ***Liquidity risk.***

Application for the Programme has been made in order for any Notes to be issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange, to be traded on the Regulated Market "Bourse de Luxembourg" of the Luxembourg Stock Exchange and application may be made to admit the Notes on the Regulated Market of the Bucharest Stock Exchange or on any other stock exchange. Notably, the Programme provides that Notes may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that any liquid secondary market for the Notes will develop. Further, the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, the Issuer's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts. The liquidity of, and the trading market for, the Notes may also be adversely affected by declines in the market for debt securities generally. Such a decline may affect any liquidity and trading of the Notes independent of the Issuer's financial performance and prospects.

The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell its Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons. Further, the listing of any Notes on the official list of the Luxembourg Stock Exchange, or the Regulated Market "Bourse de Luxembourg" of the Luxembourg Stock Exchange or the Regulated Market of the Bucharest Stock Exchange or any other stock exchange may, dependent on the circumstances of an individual case be suspended or discontinued.

Investors should note that difficult global credit market conditions may adversely affect the liquidity not only in the primary market but also in the secondary market for debt securities issued by the Issuer and may affect the liquidity of any primary or secondary market in which Notes to be issued by the Issuer may be traded. The Issuer cannot predict when these circumstances will change.

***Market price risk.***

The development of market prices of the Notes depends on various factors, such as changes of levels of the current market interest rate on the capital market for issues of the same maturity (“**Market Interest Rate**”), development of an underlying, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Holder of Notes is therefore exposed to the risk of an unfavourable development of market prices of its Notes which materialises if the Holder sells the Notes prior to the final maturity of such Notes. If the Holder decides to hold the Notes until final maturity the Notes shall be redeemed at the amount set out in the relevant Final Terms.

Holders of Fixed Rate Notes are particularly exposed to the risk that the price of such Notes falls as a result of changes in the Market Interest Rate levels. While the nominal interest rate of a Fixed Rate Note as specified in the applicable Final Terms is fixed during the life of such Notes, the current interest rate on the capital market typically changes on a daily basis. As the Market Interest Rate changes, the price of Fixed Rate Notes also changes, but in the opposite direction. If the Market Interest Rate increases, the price of Fixed Rate Notes typically falls, until the yield of such Notes is approximately equal to the Market Interest Rate of comparable issues. If the Market Interest Rate falls, the price of Fixed Rate Notes typically increases, until the yield of such Notes is approximately equal to the Market Interest Rate of comparable issues. If Holders of Fixed Rate Notes hold such Notes until maturity, changes in the Market Interest Rate are without relevance to such Holders as the Notes will be redeemed at a specified redemption amount, usually the principal amount of such Notes.

Holders of Floating Rate Notes are particularly exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Holders of Zero Coupon Notes are exposed to the risk that the price of the Notes falls as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing Notes with a similar maturity.

***Currency risk.***

A Holder of Notes denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments.

A change in the value of any foreign currency against the local currency of the Holder of Notes, for example, will result in a corresponding change in the local currency value of Notes denominated in a currency other than the local currency and a corresponding change in the local currency value of interest and principal payments made in a currency other than in the local currency in accordance with the terms of such Notes. If the underlying exchange rate falls and the value of the local currency correspondingly rises, the price of the Notes and the value of interest and principal payments made thereunder expressed in the local currency falls.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

## **2.3 Risks relating to the specific Terms and Conditions of the Notes**

***Fixed to Floating Rate Notes or Fixed to Fixed to Floating Rate Notes.***

Fixed to Floating Rate Notes or Fixed to Fixed to Floating Rate Notes bear interest at a rate that converts from one or more fixed rate(s) to a floating rate. Such conversion may affect the secondary market and the market value of the Notes. The spread on the Fixed to Floating Rate Notes or Fixed to Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes.

***Zero Coupon Notes.***

Zero Coupon Notes do not pay interest periodically. Instead, the difference between the redemption price and the issue price constitutes interest income until maturity. A holder of Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing Notes with a similar maturity.

***The interest payments on the Notes may not be made free and clear of Romanian withholding tax***

Pursuant to the Terms and Conditions, the Issuer will withhold or deduct for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Romania or any political subdivision or any authority thereof having power to tax, if such withholding or deduction is required by law.

Under Romanian tax law, the Issuer is required to withhold tax on gross interest payable under the Notes to the following categories of Holders:

- 10 per cent to individuals tax resident in Romania;
- 16 per cent to legal entities not tax resident in Romania; and
- 10 per cent to individuals not tax resident in Romania, who are resident in the European Union or a jurisdiction with which Romania has concluded a treaty for avoidance of double taxation and 16 per cent if otherwise

(without prejudice to the applicability of any treaties for avoidance of double taxation in force between Romania and the jurisdiction of tax residency of a Holder or of Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States, subject to the conditions set out in the Terms and Conditions of the Notes).

At the date of approval of this Prospectus, interest on notes/debt securities issued by Romanian companies is tax exempt if notes/debt securities are issued under a prospectus approved by a competent regulatory authority and the interest is paid to a holder who is non tax resident in Romania and who is not an affiliated person to the issuer of the notes/ debt securities. Tax law and practice are subject to change. If the aforementioned tax exemption is repealed, there is a risk that relevant Holders receive less interest on the Notes than expected due to the application of a withholding tax on interest under notes/ debt securities.

In this regard, the Terms and Conditions provide, that the Issuer will determine the applicability of the withholding or deduction required by Romanian law based on information received from the Holders through the relevant ICSD(s) and/or intermediaries and custodians via the Fiscal Agent as to the identity and residency for tax purposes of Holders. If the Issuer is not provided with such information and thus cannot ascertain the legal form and tax residency of a Holder, the Issuer will deduct the highest of the above rates on gross interest payable under the Notes. As the Terms and Conditions of the Notes specify that no withholding tax gross-up will be made by the Issuer, the Issuer is not obliged to gross up any tax withheld as regards payments due under the Notes.

The Issuer will not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Notes and all payments made by the Issuer will be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

***Risk of early redemption.***

The applicable Final Terms will indicate whether the Issuer will have the right to call a certain series of Notes prior to maturity (optional call right) on one or several dates determined beforehand, whether the Issuer does not have the right to call such Notes at all or whether such Notes will be subject to early redemption upon the occurrence of an event indicated in the applicable Final Terms (early redemption event). In addition, if such right is foreseen in the Final Terms, the Issuer will have the right to redeem the Notes if the Issuer is required to pay additional amounts on the Notes for reasons of taxation, in case of Subordinated Notes or Eligible Notes subject to regulatory conditions, all as set out in the Terms and Conditions.

If the Issuer redeems Notes prior to their maturity or Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that due to such early redemption its investment will have a lower than expected yield. The Issuer can be expected to exercise its optional call right if the yield on comparable Notes in the capital market has fallen which means that the investor may only be able to reinvest the redemption proceeds in comparable Notes with a lower yield. On the other hand, the Issuer can be expected not to exercise its optional call right if the yield on comparable Notes in the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable Notes with a higher yield. It should be noted, however, that the Issuer may exercise any optional call right irrespective of Market Interest Rates on a call date.

The applicable Final Terms of Ordinary Senior Notes will indicate whether an automatic early redemption is applicable. If the Notes are automatically early redeemed, a Holder of such Note is exposed to the risk that due to early redemption his investment may have a lower yield than expected.

Holders may be subject to the risk that interest / redemption proceeds earned/received from an investment in the Notes may not in the event of early redemption of any Notes be able to be reinvested in such a way that they earn the same rate of return as the redeemed Notes. The Notes may be automatically early redeemed (the automatic redemption condition may be fulfilled) if the yield on comparable notes in the capital market falls which means that the investor may only be able to reinvest the redemption proceeds in securities with a lower yield.

For further specific risk aspects in connection with an early redemption of Subordinated Notes and Eligible Notes see also the risk factors: “*Particular risks relating to Subordinated Notes*” and “*Particular risks relating to Eligible Notes*” in the section Risk Factors.

## **2.4 Other related risks**

***Risks associated with the reform of EURIBOR and other interest rate ‘benchmarks’.***

The Euro Interbank Offered Rate (EURIBOR) and other interest rates or other types of rates and indices which are deemed “benchmarks” (each a “**Benchmark**” and together, the “**Benchmarks**”) have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a Benchmark.

International proposals for reform of Benchmarks include the Benchmark Regulation which is fully applicable since 1 January 2018.

The Benchmark Regulation could have a material impact on Notes linked to a Benchmark, including in any of the following circumstances:

- a rate or index which is a Benchmark may only be used if its administrator obtains authorisation or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (Article 30 of the Benchmark Regulation), the administrator is recognised (Article 32 of the Benchmark Regulation) or the Benchmark is endorsed (Article 33 of the Benchmark Regulation) (subject to applicable transitional provisions). If this is not the case, Notes linked to such Benchmarks could be impacted; and might have to be delisted, adjusted, redeemed prior to maturity or otherwise impacted; and
- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could impact the Notes, including Calculation Agent determination of the rate or level in its discretion.

On 3 July 2019 the Belgian Financial Services and Markets Authority authorized EMMI as the administrator for the EURIBOR. This authorization as an administrator confirms, that the requirements contained in the Benchmark Regulation regarding the new hybrid methodology for determining the EURIBOR have been met. The EURIBOR hybrid methodology complements the former quote-based determination by a methodology based on, whenever possible, actual transactions. In November 2019 EMMI confirmed that all panel banks successfully have implemented the new hybrid EURIBOR methodology. The European Central Bank is currently consulting regarding a EUR-STR-based fallback for the EURIBOR.

In addition to the aforementioned Benchmark Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or Benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted.

If a Benchmark were to be discontinued or otherwise unavailable, the rate of interest for Floating Rate Notes which are linked to such Benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Such Discontinuation Event as set out in the Terms and Conditions of the Notes could lead, *inter alia*, to the replacement of the Benchmark by another reference rate determined as the successor rate by any applicable law or regulation or administrator or authority, or, to the determination of a comparable successor reference rate by an independent advisor in its reasonable discretion, or, to the determination of the applicable interest rate on the basis of another benchmark determined by the Issuer in its reasonable discretion or to an early termination of the relevant Notes at the option of the Issuer.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Although it is uncertain whether or to what extent any of the above-mentioned changes and/or any further changes in the administration or method of determining a Benchmark could have an effect on the value of any Notes linked to the relevant Benchmark, investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the value or liquidity of, and the amounts payable on, Floating Rate Notes whose rate of interest is linked to such Benchmark.

#### ***Risks associated with new reference rates such as €STR.***

Interest rates of floating rate Notes may be linked to, *inter alia*, €STR (the “**Alternative Reference Rate**”).

The Governing Council of the European Central Bank (“**ECB**”) has decided to develop a euro short-term rate (“**€STR**”) based on data already available to the eurosystem. €STR reflects the wholesale euro unsecured overnight borrowing costs of euro area banks, complements existing benchmark rates provided by the private sector and is published on each TARGET2 banking day since 2 October 2019. Given that it cannot be excluded that further changes will be implemented and, in particular, that there is no historical data or trends that investors could rely on and that the transition from existing reference rates to €STR could result in further uncertainties and limitations. Investors in the Notes should consider all these factors when making their investment decision with respect to any such Notes.

Since €STR is a relatively new market index, the Notes may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to such €STR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such debt securities may be lower than those of later issued indexed debt securities as a result. Further, if €STR does not prove to be widely used in securities like the Notes, the trading price of the Notes may be lower than those of debt securities linked to indices that are more widely used. Investors in Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes. If the manner in which €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on the Notes and the trading prices of the Notes.

***In respect of any Notes issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will satisfy the investment criteria of an investor***

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from the issuance of those Notes (or an amount equivalent to those proceeds) specifically to projects and activities that promote climate-friendly and other environmental purposes ("ESG Projects"). Prospective investors must determine for themselves whether such Notes satisfy any specific investment criteria together with any other investigation such investor deems necessary. No assurance is given by the Issuer that the use of such proceeds for any ESG Projects will satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any ESG Projects.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any ESG Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any ESG Projects. Also, the criteria for what constitutes an ESG Project may change from time to time.

No assurance or representation is provided by the Issuer as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any ESG Projects to fulfil any environmental, sustainability and/or other criteria. Any such opinion may not address risks that may affect the value of Notes or any project. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as of the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated "green" "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or

requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any ESG Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes (or an equivalent amount of such proceeds) so specified to ESG Projects in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any ESG Projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such ESG Projects. Nor can there be any assurance that such ESG Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

Any such event or failure by the Issuer will not constitute an event of default under the Notes. Also, any failure by the Issuer to provide any reporting or obtain any opinion will not constitute an event of default under the Notes. Any such event or failure to apply the proceeds of any issue of Notes for any ESG Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance ESG Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The payment of principal and interest in respect of the bonds is generally made from general funds and is not directly or indirectly linked to the performance of the green assets

***Ratings of the Notes, if any, may not reflect all risks - ratings of the Notes may be subject to change at all times.***

One or more independent credit rating agencies may assign credit ratings to the Notes, as may be specified in the Final Terms. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed herein and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be reduced or withdrawn entirely by the credit rating agency if, in its judgment, circumstances so warrant. Rating agencies may also change their methodologies for rating securities in the future. Any suspension, reduction or withdrawal of the credit rating assigned to the relevant Notes by one or more of the credit rating could adversely affect the value and trading of such Notes.

Rating agencies may also change their methodologies for rating securities with features similar to the Notes in the future. If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes. In any case, the ratings of the Notes 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 Notes.

***Holders may be unable to effect service of process or enforce foreign judgments against the Issuer or its assets.***

The Issuer is incorporated in Romania and the Notes are issued pursuant to German law, which may limit the legal recourse that investors in the Notes may enjoy against it.

Romanian law may require additional formalities to be performed or conditions to be met in order to enforce judgments against the Issuer that were obtained in foreign courts. The laws of Romania permit an action to be brought before a court of competent jurisdiction in Romania for the recognition and enforcement of a final and conclusive judgment *in personam* rendered by a court from an EU member state, provided that the relevant conditions set forth in EC Regulation No. 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters are met. However, other conditions may be applicable with respect to specific matters, under special Romanian legislation or international conventions. Similar rules on the recognition and enforcement of foreign court judgments apply to judgments issued in non-EU member states which are parties to the 2007 Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters.

Judgments rendered by courts in the United States and other non-EU member states (which includes the United Kingdom), which are not parties to the 2007 Lugano Convention are subject to different requirements and may be more difficult to enforce. Subject to special internal legislation (including ratified international conventions) regulating the recognition and enforcement of foreign judgments on specific matters, Romanian law allows an action to be brought before a court of competent jurisdiction in Romania for the recognition of a judgment *in personam* rendered by a court of a non-EU member state, provided that the relevant conditions in respect of recognition of foreign judgments set out under the Romanian Civil Procedure Code are met. Furthermore, the recognition and enforcement of foreign judgments in administrative, customs, criminal or other public law related matters is subject to special legislation and certain conditions may need to be fulfilled. The limitations set out above may deprive investors in the Notes of effective legal recourse for claims related to their investment.

***The Notes are not covered by any (statutory) deposit guarantee scheme.***

Notes which qualify as own funds instruments (pursuant to CRR) or as transferable securities (including listed Senior Ordinary Notes) are not covered by the statutory deposit guarantee scheme pursuant to the Romanian Act no. 311/2015 on deposit guarantee schemes and the guarantee fund for banking deposits (*Legea nr. 311/2015 privind schemele de garantare a depozitelor si Fondul de garantare a depozitelor bancare*). Therefore, in the event of insolvency or resolution, Holders may lose their entire investment.

***Risks related to the German Act on Debt Securities of 2009.***

Since the Terms and Conditions of Notes issued under the Programme provide for meetings of Holders of a series of Notes or the taking of votes without a meeting, the Terms and Conditions of such Notes may be amended (as proposed or agreed by the Issuer) by majority resolution of the Holders of such Notes and any such majority resolution will be binding on all Holders. Any Holder is therefore subject to the risk that its rights against the Issuer under the Terms and Conditions of the relevant series of Notes are amended, reduced or even cancelled by a majority resolution of the Holders. Any such majority resolution will even be binding on Holders who have declared their claims arising from the Notes due and payable based on the occurrence of an event of default but who have not received payment from the Issuer prior to the amendment taking effect. According to the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz – “SchVG”*), the relevant majority for Holders’ resolutions is generally based on votes cast, rather than on the aggregate principal amount of the relevant Notes outstanding. Therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the relevant Notes outstanding.

Under the SchVG, an initial common representative (*gemeinsamer Vertreter*) of the Holders (the “**Holders’ Representative**”) may be appointed in the terms and conditions of an issue.

However, no initial Holders’ Representative might be appointed in the Terms and Conditions at the issue date. Any appointment of a Holders’ Representative at a later stage will, therefore, require a majority resolution of the Holders of the Notes. If the appointment of a Holders’ Representative is delayed, this will make it more difficult for Holders to take collective action to enforce their rights under the Notes.



If a Holders' Representative will be appointed by majority decision of the Holders it is possible that Holders may be deprived of their individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, if such right was passed to the Holders' Representative by majority vote who is then exclusively responsible to claim and enforce the rights of all the Holders.

The applicable Final Terms will indicate if, in case of certain events of default, any notice declaring the Notes due and payable shall become effective only when the Paying Agent has received such default notices from Holders representing at least 15 per cent. of the aggregate principal amount of the Notes then outstanding. Under the SchVG, even if a default notice is given by a sufficient number of Holders, it could be rescinded by majority resolution within three months. A simple majority of votes would be sufficient for a resolution on the rescission of such acceleration but, in any case, more Holders would have to consent to a rescission than have delivered default notices. Holders should be aware that, as a result, they may not be able to accelerate their Notes upon the occurrence of certain events of default, unless the required quorum of Holders with respect to the Notes delivers default notices and such acceleration is not rescinded by majority resolution of the Holders.

## DESCRIPTION OF THE ISSUER

### 1. INFORMATION ABOUT THE ISSUER

#### 1.1 Corporate history and development of the Issuer

In 1990, Banca Agricola S.A. was incorporated, under Law no. 15/1990 on the reorganisation of state economic units as autonomous entities and commercial companies and Government Decision no. 1196/1990 on the establishment of Banca Agricola S.A., as a joint stock company (*societate pe acțiuni*). The Issuer operated under the name of Banca Agricola S.A., having the State of Romania as its major shareholder, represented by the State Property Fund (*Fondul Proprietății de Stat*) and subsequently by the Authority for State Assets Management (*Autoritatea pentru Privatizare și Administrarea Participațiilor Statului – “APAPS”*), but also certain private shareholders, including the Private Property Funds (*Fondurile Proprietății Private*), which were subsequently transformed into financial investment companies (*societăți de investiții financiare*), and the Issuer’s employees.

On 18 February 1999, the Issuer was established for an indefinite period and registered with the Register of Credit Institutions held by the NBR under registration number RB-PJR-40-009. The Issuer operates on the basis of the applicable laws and regulations issued by the NBR.

In 2001, Raiffeisen Zentralbank Österreich Aktiengesellschaft (“**RZB**”, the legal predecessor of Raiffeisenbank International AG – “**RBI**”), together with the Romanian-American Enterprise Fund (*Fondul Româno-American de Investiții*), filed an acquisition offer for Banca Agricola S.A. with the Romanian State, represented by APAPS. The takeover agreement over 98% of the shares of Banca Agricola S.A. (out of which 93.36% were to be owned by RZB) was signed in April 2001. In July 2001, the takeover was completed. The newly formed entity was named “Banca Agricola-Raiffeisen S.A”.

In July 2002, Banca Agricola-Raiffeisen S.A. merged with Raiffeisenbank (Romania) S.A., RZB’s subsidiary in Romania. Following the merger, the name of the resulting entity is “Raiffeisen Bank S.A.”

The Issuer’s major shareholder is Raiffeisen SEE Region Holding GmbH (with a stake of 99.92% of the shares). Raiffeisen SEE Region Holding GmbH is indirectly held by RBI.

#### 1.2 General information about the Issuer

The Issuer’s legal name is “Raiffeisen Bank S.A.” and its commercial name “Raiffeisen Bank”. The Issuer is organized as a joint-stock company (*societate pe acțiuni*) administrated in a dualist system incorporated and carrying out its activity in accordance with Romanian law. The Issuer is registered with the Bucharest Trade Registry Office (*Oficiul Registrului Comerțului din București*) under the number J40/44/1991, EUID ROONRC J40/44/1991, sole registration code 361820 and is a Romanian tax resident. The Issuer’s legal entity identifier (LEI) code is LEI 549300RFKNCOX56F8591.

The Issuer’s registered office is located at 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7th, 10th and 15th, Bucharest 1st District, Romania, its general telephone number is: +40 021 306 10 00 and its website is “[www.raiffeisen.ro](http://www.raiffeisen.ro)”. The information on the Issuer’s website does not form part of this Prospectus unless that information is explicitly incorporated by reference into this Prospectus (please see section “Financial Information and Documents Incorporated by Reference” below).

#### 1.3 Independent auditors

The Issuer’s independent auditors in relation to the financial statements of the Group for the fiscal years ending on 31 December 2019 and on 31 December 2020, respectively, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU were Ernst & Young Assurance Services S.R.L., 15-17 Ion Mihalache Blvd., 21st floor, 1st District, 011171 Bucharest, Romania (“**EY**”). EY has audited the consolidated financial statements of the Group for the years ending 31 December 2019 and 31 December 2020 and issued unqualified independent auditor’s reports dated 27 March 2020 and 22 March 2021, respectively.

EY is a member of the Chamber of Financial Auditors in Romania (*Camera Auditorilor Financiari din România*).

#### 1.4 Any recent events particular to the Issuer which are to a material extent relevant for the evaluation of its solvency

The Issuer is not aware of any recent events which are particular to the Issuer (i.e. occurring after the most recent published audited consolidated financial statements of the Issuer as of 31 December 2020) that are to a material extent relevant to the evaluation of its solvency.

#### 1.5 Credit ratings – Deposit Rating

The Issuer has obtained deposit ratings from Moody's Deutschland GmbH ("**Moody's**")\*. As of the date of this Prospectus such ratings are as follows:

Type	Rating	Outlook
Long Term Counterparty Risk Foreign Currency Rating	Baa1	-
Long Term Foreign Currency Bank Deposit Rating	Baa1	Negative
Long Term Domestic Currency Bank Deposit Rating	Baa1	Negative

\*) Moody's Deutschland GmbH, An der Welle 5, 2nd Floor, 60322 Frankfurt, Germany is established in the European Union, is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published by the European Securities and Markets Authority ("ESMA") on its website.

As of 14 December 2020, Moody's has upgraded the Issuer's Long Term Foreign Currency Deposit rating by two notches from Baa3 to Baa1, while keeping the negative outlook, in line with the outlook assigned on Romania's sovereign rating, unchanged.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

## 2. BUSINESS OVERVIEW

### 2.1 Principle areas of activity

The Issuer's statutory purpose is to engage in banking and financial business of any kind and in other related activities, in accordance with the applicable laws and within the authorisation for functioning (*autorizația de funcționare*) granted by the NBR.

The Issuer's core area of business activity (*principalul domeniu de activitate*) is monetary intermediation and the principal object of activity (*obiectul principal de activitate*) is activities related to monetary intermediation.

### 2.2 General presentation of main categories of the products sold and services performed

The Issuer addresses the Romanian market.

The Issuer's business activities are subdivided into the following segments:

- Retail Banking

- Corporate Banking
- Treasury and Capital Markets.

## 2.3 Retail Banking

### *Private Individuals*

The Issuer offers banking products to private individual customers and aims to provide them with simple and reliable services in every interaction, adequate digital solutions and satisfying banking experiences. In order to achieve these goals, the Issuer uses a customer feedback collection mechanism (PULS) that is designed to allow for instantaneous service improvement and real-time input for process and product optimizations.

Despite the Covid-19 pandemic, the Issuer introduced several innovations to its services to private individuals in 2020, including the launch of the Raiffeisen Global Equity Open End Investment Fund, the implementation of a free-of-charge home card delivery solution, the launch of push notifications and pre-approved personal loans in the mobile banking application as well as the new Zero Simplu (Simple Zero) current account package, which offers customers who perform at least one electronic transaction monthly free-of-charge access to daily banking services.

In addition, the Issuer seeks to attract new customers and to retain existing customers with special offers such as the use of the current account package free of charge for 6 months, the provision of credit cards without administration fees in the first year, reduced interest rates for personal loans and mortgage loans, as well as the possibility to defer the payment of instalments for up to 9 months. A majority of lending customers holds the contractual option of deferring repayment for up to 3 months.

Furthermore, in order to allow private individual customers more time to activate and familiarize with the new mobile and online banking applications, the date for the decommissioning of the old mobile and online banking applications was postponed several months, until June 2021.

### *Digital daily banking products*

In 2020, the Issuer continued to digitalize the daily banking experiences of its customers, offering daily banking products, such as current accounts, debit cards and savings accounts for day-to-day savings needs, bundled with digital solutions (Smart Mobile, mobile payments).

The Issuer seeks to offer its customers low-barrier, free-of-charge access to daily banking packages, tailored to the needs of respective customer groups:

- Customers aged between 18 and 25 are offered free access to daily banking services.
- Customers older than 25 years are offered free access to daily banking services through the new Zero Simplu (Simple Zero) current account package, provided they perform at least one electronic transaction every month.
- Payroll customers are offered mobile desks for serving them directly at their place of work, with dedicated offers including enhanced benefits and pricing discounts linked to salary cashing.
- High-value customers are offered Raiffeisen Bank Premium services, including a dedicated personal banker and a dedicated product offering matching their complex needs and demanding profile.

Further, the Issuer offers its digital banking applications Smart Mobile and Smart Token to its private individual customers. These applications are designed to ensure an uncomplicated way to remote banking, by offering value-added services and functions to customers such as Smart Hour (the possibility of exchanging RON to EUR and EUR to RON at National Bank of Romania rates, between 10:00 and 11:00 (local time)), smart search, a smart widget for checking the account balance without logging in, quick payments, biometric customer identification, push notifications, debit and credit cards management

(blocking and re-issuing) and the possibility to open new products such as current accounts, saving accounts, deposits online.

The payment experience of the Issuer's customers aims to be digital native by, enhancing it via the mobile payment solutions offered: RaiPay, ApplePay, GarminPay.

#### ***Access to financing products***

The Issuer offers various financing instruments to private individual customers such as personal loans, mortgage loans, credit cards and overdrafts. The Issuer seeks to attract new customers and retain existing ones by offering certain benefits in connection with its financing products such as the option of deferring repayment for 3 months (applicable to Flexicredit, which is a personal loan product, and for mortgage loans), a fast (24h) financial loan preapproval automated process valid for 90 days (applicable to mortgage loans), first-installment grace periods (applicable to mortgage loans), bonus points and up to 24 free instalments (applicable to credit cards).

The Issuer provides its customers with the option to access financing products (e.g. personal loans) online via their mobile banking application and proactively makes pre-approved loan offers available to the customers on the mobile banking application.

Regarding mortgage loans, the Issuer offers a special pricing for Green Homes.

#### ***Saving and Investment products***

The Issuer offers multiple saving and investment solutions for RON investments, ranging from savings accounts to term deposits on several maturities. Special interest rates are offered for savings products opened on digital channels.

In addition, the Issuer's investment products include solutions for foreign currency (EUR, USD) investments. For example, the SmartInvest product aims to sustain and encourage the customers' periodical saving and investment behaviour. SmartInvest offers customers lower risk investments as well as higher yields as an alternative to classic savings instruments (e.g. saving accounts or deposits), by providing individual investors with access to the growth potential of the global stock markets as well as of the Romanian stock market.

Additionally, the Issuer offers the possibility to invest in the Raiffeisen Global Equity Investment Fund which is the first Romanian investment fund that incorporates environmental, social and governance ("ESG") factors in the investment decisions of Raiffeisen Asset Management.

Furthermore, the Issuer offers private pension schemes to customers over 60 years, to cater for long term needs of customers.

#### ***Friedrich Wilhelm Raiffeisen Private Banking Customers***

The Issuer's Private Banking division is aimed at high net worth individuals (with assets under the Group's management in excess of EUR 250,000 each). At the date of this prospectus, the Issuer has EUR 1.13 billion in assets under management. In 2020, the Issuer has continued the improvement of investment services offered in this segment with two new funds offered to its clients: an equity fund invested predominantly in Environment, Social and Governance ("ESG") funds and a global bond fund of funds.

## **2.4 Small and medium-sized enterprises**

Considering the characteristics of the Romanian market, the Small and Medium-sized Enterprises ("SMEs") segment, as defined in the Issuer's business segmentation, comprises of SMEs with private capital and an annual turnover of up to EUR 5 million, including freelancer professionals. By positioning customers' needs in the centre of the Issuer's focus and offering easy to use financial solutions and products, the Issuer aims at building an ecosystem that provides necessary financial services for conducting entrepreneurial businesses and establishing long term relationships.

SME customers are further segmented into micro-companies (with an annual turnover of up to EUR 1 million) and small and medium enterprises with an annual turnover of up to EUR 5 million, as well as professionals based on their membership to respective associations and bodies. This approach aims to ensure a customized service level appropriate to the profile, size of activity, complexity as well as the transactional and financial needs of the respective SMEs. Moreover, products and services are permanently adapted to the specific requirements of the various entrepreneurs' subcategories, while communication is directed through their preferred channels.

From a service model perspective, the Issuer's consultants (SME relationship managers and branch managers) provide financial advisory and dedicated assistance to SME customers, using a 360° approach for identifying appropriate financial solutions. Besides the branch network, the Issuer offers SMEs a wide range of alternative channels through which they can access the Issuer's banking products and services, such as mobile banking ("**Smart Mobile**"), internet banking ("**Raiffeisen Online**") or the distance interaction solution Interactive Voice Response via the Call Center or a ChatBot.

Digital solutions like Raiffeisen Online and Smart Mobile continue to be the Issuer's primary focus and the Issuer actively supports migration to these alternative channels of banking. These digital solutions seek to enhance customer experience for SMEs and ensure extended service availability besides offering low transaction costs. In 2020, more than 65% of SME customers used aforementioned digital solutions and the digital transactions volume reached 96%.

Further, the Issuer offers over 392 multi-functional machines ("**MFM**") to its customers which allow for multiple transactions such as cash deposits and withdrawals, bill payment, account statements, and foreign currency exchange. The use of MFM in total cash transactions grew from 79% in 2019 to 87% in 2020.

Current account packages optimization, marketed at the end of 2019 by including unlimited Lei incomings and unlimited electronic Lei intra-bank payments, offered to entrepreneurs the advantage of performing all transactions with their business partners without additional costs, should these have bank accounts with the Issuer. Furthermore, these account packages for SME customers include foreign currency payments and debit instruments transactions.

At the same time, financing solutions remained a critical need for SME customers, especially in the COVID-19 context. The Issuer supported SMEs both through private and public payment-postponement solutions (moratoria) and by adhering to dedicated COVID-19 related lending solutions such as (i) SME Invest, a Romanian government guarantee scheme dedicated to SMEs, (ii) the extensions of existing programs of the European Investment Fund ("**EIF**") in the COVID-19 context, such as the EU program for the Competitiveness of Small and Medium-sized Enterprises ("**COSME**") and the European Program for Employment and Social Innovation ("**EaSI**") or (iii) the local government grants program (implemented by Emergency Government Ordinance 130/2020 on certain measures for granting financial aid from external non-refundable funds, related to the Competitiveness Operational Programme 2014-2020, in the context of the crisis resulting from COVID-19, as well as other measures in the European funds domain) where the issuer was one of only 7 Romanian credit institutions who qualified to support the implementation of this scheme. The visible growth of loan portfolios in the second half of 2020 was mostly due to aforementioned schemes, whereby the SME Invest scheme constituted by far the most used scheme due to its attractive conditions for SMEs.

After its launch in 2018, the Issuer continued the development of the online platform "Factory by Raiffeisen", dedicated to entrepreneurial culture in general and to start-ups in particular. In the third edition of the program, 112 Romanian start-up entrepreneurs were selected to receive loans of a total of over EUR 4 million. The Issuer's support to these entrepreneurs included both current account packages for daily transactions as well as access to courses and workshops for business development. The financings provided in the "Factory by Raiffeisen" program is based on the COSME program, guaranteed by the EIF.

The Issuer and the EIF continued the cooperation, which was first started in 2010, by carrying on the latest agreements signed in 2017, totaling more than 600 million EUR (equivalent) and 10.000 credit facilities granted. These two agreements are the COSME agreement and the "SME Initiative" ("**SMEi**"). Both initiatives are intended to support customers' access to financing through flexible collateral alternatives.

In 2020, the Issuer concluded new partnership agreements with various entities outside the banking sector to bring additional value to their SME customers via optimized access to services and products offered by these partners. Partnership agreements were concluded with:

- Regina Maria Health Network (Centrul Medical Unirea SRL) - Through this partnership, SME customers receive discounts on health packages for their employees;
- Origin (legal name Redoxim SRL and Comfert SRL) and RWA Raiffeisen Agro – These partnerships are dedicated to facilitating the agricultural sector’s access to financing.
- Dendrio Solutions SRL (“Dendrio”) in partnership with Microsoft Romania SRL - This partnership aims to increase digitalisation of Romanian SMEs in all aspects of the business. After assessing the digitalisation score of the SME customer, Dendrio offers the customers personalised, preferential digital solutions for their businesses.

Additionally, under this umbrella of facilitating access to relevant partnerships for clients, but also in the spirit of contributing to increasing financial education, the Issuer also joined the Masters in Business of Agriculture (“MBAg”) initiative, a masterclass program (conducted through a mix of physical and online teaching) dedicated to young farmers.

## 2.5 Corporate Banking

The general strategy of the Corporate Division is to focus on developing long-term relationships with the economic ecosystems formed around the macro relevant corporate companies.

The main strategic directions are:

- Focus on the holistic approach towards the ecosystems formed around corporate customers, addressing all the stakeholders (e.g. suppliers, customers, employees, shareholders, key executives, etc.);
- Continue implementation of business development programs (e.g. financial development, human resources management, research, optimize operational processes) for the customers, especially on the Mid Market segment (e.g. Catalizator, Romanian Brands). The events have also a strong networking component for best practice sharing;
- Boost the efficiency program through:
  - Continued migration to electronic channels and/or expertise centralization;
  - Structured sales process (e.g. top-up volumes, pre-approved amounts campaigns);
  - Upgraded information infrastructure for a faster and more reliable response to customer demands;
- Ensure compliance with increased regulatory requirements: complying with local, international and group requirements (e.g. Basel III, FATCA, KYC, etc.).

The main corporate banking segments are:

- **Large Corporates** which represent the segment including customers having an annual turnover above EUR 50 million or part of a group with turnover above EUR 250 million;
- **Mid Market** which represents the segment including customers annual turnover between EUR 5 million and EUR 50 million; and
- **Local Regional Government.**

The Large Corporates segment is focused on delivering personalized customer development programs, structured on the Issuer's industry expertise.

Focusing on the regional coverage of the customers, the Mid Market segment strives to develop the business community by encouraging collaboration and best practice sharing. Evolving from the experiences gained in previous years, the Raiffeisen Catalizator platform continued in 2020 with good customer feedback.

In 2020, the Issuer proceeded to the application of the mandatory moratorium in respect of an approximative aggregated exposure of EUR 150 million, based on a reduced number of applications from its corporate debtors.

Corporate Banking was an active partner in the IMM Invest state guarantee scheme with a total of EUR130 million approved facilities.

Special attention is offered to the customers of the RBI Group, where the Issuer solidified its status as focus country for the RBI Group.

The Issuer offers customized solutions for each partner and is continuously trying to improve its financing solutions e.g. by extending them to factoring products.

An important role in the growth effort has the continued partnership with institutional investors (European Bank for Reconstruction and Development, European Investment Bank, European Investment Fund), especially in the Mid Market segment. Notable are the COSME and SMEi Programs, where the Issuer was granted the largest portion of funds on the market.

The Corporate Division is active also in the syndicated loan market, with transactions in different economic sectors and entailing various different roles of the Issuer in large and complex transactions.

An important contributor to the Issuer's assets' growth is the Project Finance business line, which focuses on large projects in real estate and retail.

Important successes were also registered by the Transactional Banking line, with online payments sharing well above the 98% threshold, following the Issuer's continued optimisation efforts towards digitalization and streamline processing.

## **2.6 Treasury and Capital Markets**

### ***Treasury***

The Balance Sheet and Portfolio Management Department ("**Treasury**") is responsible for the strategic management of the Issuer's assets and liabilities with the goal of ensuring a stable net interest income while maintaining a sustainable medium and long-term liquidity and capital position of the Issuer.

The Issuer manages the interest rate risk with the objective to balance the net interest rate sensitivity and economic value of equity. The strategy is to invest in both fixed rate and floating rate assets in a given set of risk limits approved for net interest income sensitivity and economic value of equity.

The management of the balance sheet considers both the liquidity and interest rate perspective and is performed by using a set of tools, including a system of internal funds transfer pricing for both liquidity and interest rate risk management. The internal funds transfer pricing system is based on market rates and is designed to allocate all costs and benefits to the business segments in a way that incentivizes the efficient use of liquidity. As part of the overall risk management framework, the assets and liabilities of the Issuer are modelled and analyzed in order to adequately reflect the liquidity and interest rate risk profile of the Issuer.

In order to ensure an adequate level of liquidity under stress conditions, the Issuer maintains a liquidity reserve comprised of high-quality liquid assets ("**HQLA**"), including cash held at the central bank and bonds eligible as collateral for central bank liquidity facilities. By maintaining this reserve, the Issuer ensures alignment with internal requirements and liquidity risk regulations for stress conditions.



The liquidity coverage ratio (“**LCR**” or “**Liquidity Coverage Ratio**”), the regulatory standard for stress conditions, aims to ensure sufficient liquid assets to meet stress-free liquidity needs for 30 days. According to regulatory requirements, the Issuer has to maintain a LCR level above the minimum threshold of 100 %. In the case of the Issuer, the value of the liquidity buffer held by the Issuer amounted to EUR 3,404 million in December 2020, the corresponding ratio being close to 252 %, significantly higher than the regulatory level.

The net stable funding ratio (“**NSFR**” or “**Net Stable Funding Ratio**”) focuses on the long-term funding and serves to define the minimum acceptable amount of stable funding, based on the credit institution’s liquidity characteristics of assets and activities over a one-year time horizon. As at December 2020, the Issuer had the NSFR ratio at a level significant above the 100% limit that shall entry into force from 28 June 2021.

	DECEMBER 2019	DECEMBER 2020
High-quality Liquid Assets (EUR mn)	2,208	3,404
Net Outflows (EUR mn)	1,389	1,351
LCR value (%)	159%	252%
NSFR (%)	142%	163%

*Source: The Issuer; RON/EUR exchange rate: 4.7793 (2019) and 4.8694 (2020)*

The Treasury oversees also the funding management of the Issuer, being responsible for the development, execution and regular updating of the Issuer’s funding plan. Furthermore, the funding management team is responsible for the coordination of the access and participation to the implementation of various programs developed by international financial institutions, supporting the lending activity of the business lines.

The Issuer’s funding plan is updated at least annually in accordance with the balance sheet funding needs, taking into consideration all regulatory requirements imposed by the relevant authorities.

### ***Capital Markets***

The capital markets department (“**CM**”) is covering the needs of the Issuer’s customers interested in the capital markets products, as well as being responsible for the management of all the risks linked to customers’ transactions, as well as transactions with financial instruments. The Issuer covers all customer segments for specific products that it may sell based on the approved distribution model, as well as being involved in interbank transactions for the purposes of managing customer demand and for undertaking risks, based on the approved trading model and the market risk set of limits approved specifically for CM. The Issuer is one of the primary dealers in the relation with the Romanian Ministry of Public Finance and it distributes RON, as well as EUR denominated securities issued by the Romanian Ministry of Public Finance.

The key objective for CM is the digitalization of low-risk taking transactional business. Through the trading desk, CM is active on the EUR-RON foreign exchange (“**FX**”) market, Romanian Government Bonds (“**ROMGB**”) market and RON related plain vanilla FX derivatives.

### ***Financial Institutions***

Financial Institutions and Group Securities Service Directorate (“**FI & GSS**”) is responsible for the relationships among the Issuer and various domestic and foreign bank and non-bank financial institutions. This includes: commercial banks, investment banks, insurance companies, leasing companies (having a financial group as the main shareholder), investment funds, pension funds, brokerage companies, finance

companies (mortgage or consumer finance), and supranationals. Recently, a new group of companies, representing Payment Service Providers/Money Service Businesses, was added to FI & GSS' portfolio.

FI & GSS is also responsible for custody products and depository solutions for investment funds and pension funds privately managed.

## 2.7 Market Position

Market positioning in Romania by reference to total assets as of December 2020

Rank	Bank	Total assets (RON million)	Market share
1	Banca Transilvania S.A.	103,355	18.5%
2	Banca Comerciala Romana S.A. (Consolidated)	81,987	14.7%
3	BRD Groupe Societe Generale S.A.	61,635	11.0%
4	ING Bank N.V. (Romanian Branch)	51,400*	9.7%
5	The Issuer	51,283	9.2%

*Source: Internal data of the Issuer as at December 2020 and public data for market competitors. Note: \*) Data at September 2020 for ING Bank N.V. based on ING's press release – due to limited public data availability.*

Total assets ranking as of December 2020 based on publicly available data at <https://www.raiffeisen.ro> and <https://www.bvb.ro>, accessed on 12 April 2021 – amounts expressed in RON million; Figures presented in chart reflect the standalone total net assets for each of the Romanian credit institutions mentioned therein and are compared with the total net assets figure published by NBR for December 2020 ([www.bnro.ro](http://www.bnro.ro), accessed on 12 April 2021). Due to the lack of publicly available data, Banca Comerciala Romana S.A. figures stated reflect total assets in Banca Comerciala Romana S.A. group.

Considering the data available at the date of this Prospectus, the Issuer holds the fifth position in the market share by total assets. Total net assets level in the Romanian banking system used in this market share calculation was around RON 560 billion. It is worth noting that the first two Romanian banks in the system have secured their top positions with some margin and cumulate almost a third of the assets in the Romanian banking system. The Issuer's market share is approximately 9.2%, with total asset of RON 51.2 billion.

## 2.8 Notes with a specific green use of proceeds

The Issuer provides more details with regard to any notes with a specific green use of proceeds issued by it in its Annual Sustainability Report, which is disclosed on the Issuer's website and may be updated from time to time.

The Issuer mandated a recognised second party opinion provider, which is Sustainalytics, a provider of environmental, social and governance (ESG) research and analysis. Sustainalytics evaluated the robustness and credibility of the Issuer's Green Bond Framework and intended use of proceeds in terms of its alignment with relevant industry standards, including the Green Bond Principles 2018 issued by the International Capital Markets Association (ICMA) (as amended from time to time). On such basis, the second party opinion provider reviewed the Issuer's Green Bond Framework and provided its opinion thereon, which is also disclosed on the Issuer's website.

This second party opinion or any second party opinion or rating (whether or not solicited by the Issuer or a Dealer) issued in connection with an eligible green asset might not fulfil any environmental, social, sustainability and/or other criteria required by a particular Holder. For the avoidance of doubt, any such

second party opinion or rating is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Also, any such second party opinion or rating is not, nor should be deemed to be, a recommendation by the Issuer or a Dealer, or any other person to buy, sell or hold any Notes. Any such second party opinion or rating is only current as of the date that opinion was initially issued. Furthermore, a provider of such second party opinion or rating is currently not subject to any specific regulatory regime or other oversight. Prospective purchasers of any Notes must therefore determine for themselves the relevance of any such second party opinion or rating and/or the information contained therein and/or the provider of such second party opinion or rating for the purpose of any purchase of any Notes.

## 2.9 Capital requirements

Implementation of the risk profile at the Issuer's level is realized by establishing a strategy for each significant risk and implementation of corresponding policies. The Issuer adopted policies for managing significant risks, ensuring the implementation of the adequate risk profile.

The main objective of the risk management activity in the Issuer is to maintain an adequate level of internal capital in relation to the risks taken, both from a regulatory (sustainability perspective) and economic (target rating perspective) point of view.

It is considered that the Issuer has an adequate level of capital for covering risks when economic capital is less than or equal to the risk capital, for all risks.

In 2019 the Issuer improved its capital position by issuing two capital instruments: Additional Tier 1 and Tier 2 capital instruments.

As at 31 December 2020, the internal capital of the Group (risk capacity) amounted to RON 5,541 million, resulting in an amount of risk tolerance of RON 4,986 million, calculated as 90% from internal capital.

As the risk tolerance of RON 4,986 million is higher than the economic capital in total amount of RON 3,049 million, on 31 December 2020 the Group had an adequate level of internal capital for covering risks.

Capital ratios are at a comfortable level, above the minimum requirements. Figures for both 2019 and 2020 do not include the profit incorporation, approved in the general meeting of the shareholders dated 29 April 2020 and 22 April 2021.

Capital structure for the Group (sub-consolidated level):

Capital structure (% RWA*)	Regulatory requirements 2019	Actual 2019	Regulatory requirements 2020	Actual 2020	Regulatory requirements 2021
<b>Supervisory Review and Evaluation (SREP) (Pillar 1 + Pillar 2 capital):</b>					
CET 1	6.30%		6.26%		6.50%
Tier 1	8.40%		8.36%		8.68%
CAR, out of which:	11.20%		11.15%		11.57%
<i>SREP</i>	3.20%		3.15%		3.57%
<b>Capital buffers</b>					

Capital structure (% RWA*)	Regulatory requirements 2019	Actual 2019	Regulatory requirements 2020	Actual 2020	Regulatory requirements 2021
Total capital buffers**, out of which:	4.50%		4.50%		4.5%
Conservation	2.50%		2.50%		2.50%
Countercyclical	0.00%		0.00%		0.00%
O-SII	2.00%		2.00%		2.00%
Systemic Risk	2.00%		1.00%		0.00%
<b>Total capital (SREP + Capital buffers):</b>					
CET 1	10.80%	14.69%	10.76%	18.16%	11.00%
Tier 1	12.90%	15.66%	12.86%	19.09%	13.18%
Total CAR***	15.70%	19.41%	15.65%	22.62%	16.07%

Note: Own funds elements from the table above (Pillar 1, Pillar 2, CET1, T1 and capital buffers) are defined in Regulation EU No. 575/2013 on prudential requirements for credit institutions and investment firms (“**CRR**”) and NBR regulation no 5/2013 regarding the prudential requirements for credit institutions, as amended from time to time.

\*RWA – Risk weighted assets; \*\*Maximum between O-SII and Systemic risk buffer applies; \*\*\*CAR – Capital adequacy ratio.

Source: The Issuer, date 22 March 2021

### 3. ORGANISATIONAL STRUCTURE

#### *The RBI Group*

The Issuer is a subsidiary of RBI and is part of the RBI Group. RBI is a stock corporation incorporated in Austria and operating under Austrian law with unlimited duration with its registered seat in Vienna and its principle place of business located at Am Stadtpark 9, 1030 Vienna, Austria. RBI is registered with the Austrian companies register of the commercial court of Vienna under registration number FN 122119 m since 9 July 1991.

RBI operates as a credit institution according to § 1 para 1 of the Austrian Banking Act (Bankwesengesetz), and is listed on the Vienna Stock Exchange.

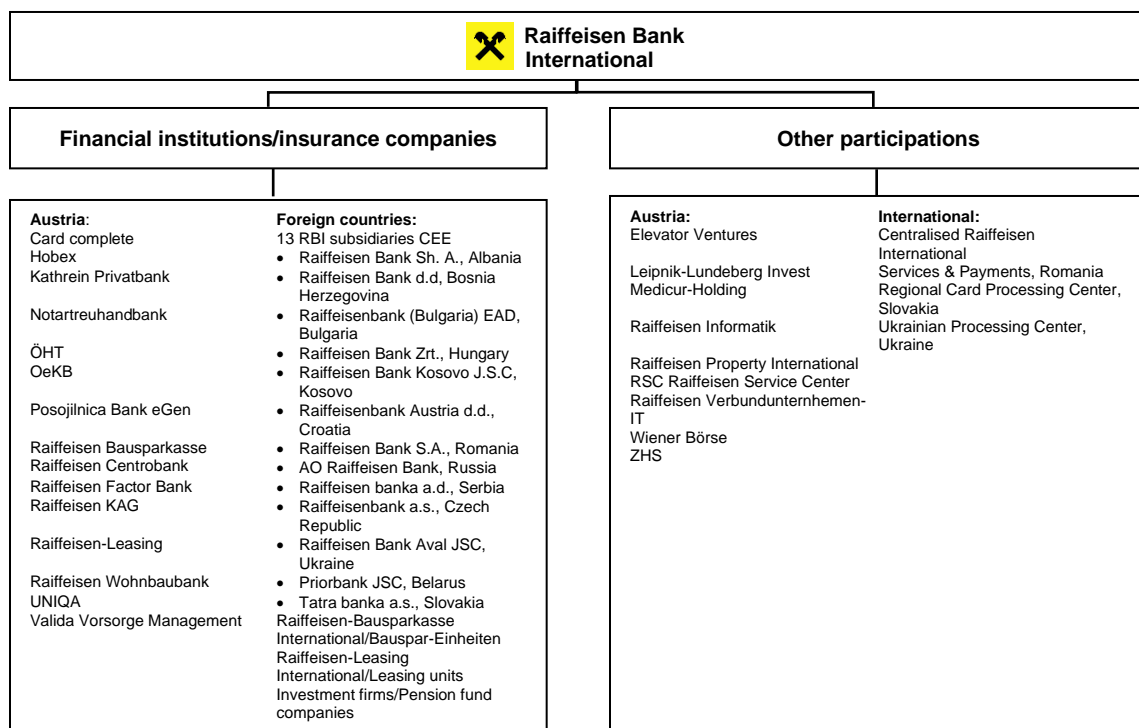
RBI regards Austria, where it engages primarily in corporate and investment banking, as well as Central and Eastern Europe (“**CEE**”) as its home market. RBI Group is a universal banking group offering banking and financial products as well as services to retail and corporate customers, financial institutions and public sector entities predominantly in or with a connection to Austria and CEE. In CEE, RBI operates through its subsidiary banks, leasing companies and numerous specialized financial service providers.

Additionally, the RBI Group comprises numerous other financial service providers, for instance in the fields of leasing, asset management, as well as M&A. To support its business activities, RBI operates representative offices and service branches at selected Asian and Western European locations.

As at 31 December 2020, the RBI Group comprised approximately 45,400 employees and serviced approximately 17.2 million customers through approximately around 1,850 business outlets, by far the largest part thereof in CEE.

RBI is Austria's second-largest bank with a balance sheet total of EUR 165.96 billion as at 31 December 2020.

**Structure of the RBI Group as of 31 December 2020 (main participations only)**



The RBI Group is present in Romania through its subsidiaries on different segments of the financial market: banking, investment fund management, leasing and the savings and crediting in collective system for housing segment.

**Principal subsidiaries of the Issuer**

As of the date of this Prospectus the Issuer has the following principal subsidiaries:

- **S.A.I. Raiffeisen Asset Management S.A.**, which is the asset management company of the Group in Romania. The objective of S.A.I. Raiffeisen Asset Management S.A. is to develop a large range of products to best serve the Group's customers' financial objectives. At the end of 2020, S.A.I. Raiffeisen Asset Management S.A. was the only asset management company in Romania offering both open investment funds and voluntary pension funds. The share capital amounting RON 10,656,000 is 99.99% owned by the Issuer. The total assets of the company exceeded RON 66.8 million as at 31 December 2020. By the end of 2020, S.A.I. Raiffeisen Asset Management S.A. was the second largest player on the local funds market, with a market share of 22% and assets under management equivalent to approximately RON 4.87 billion.
- **Raiffeisen Leasing IFN S.A.** which has been representing the Group on the Romanian leasing market since 2002. The company share capital is RON 14,935,400 and 99.99 % is owned by the Issuer. Raiffeisen Leasing IFN S.A. offers a wide range of products for SMEs, corporations and, in a small part, for individuals.

The company provides customized financing solutions in RON or EUR, offering fixed or variable interest finance for various types of projects and assets, such as vehicles, equipment. Raiffeisen Leasing IFN S.A.'s offer is also available in over 350 agencies of the Issuer.

As of December 2020, Raiffeisen Leasing IFN S.A.'s assets amounted to RON 1,048 million and its active contracts database included about 10.100 contracts

- **Aedificium Banca pentru Locuințe S.A. (“ABL”)** (former name - *Raiffeisen Banca pentru Locuințe S.A.*) which is the first company in Romania promoting the savings-lending (known as Bauspar) system, established in 2004 and focused on developing the housing sector.

Starting with July 2019, the Issuer owns the majority stake in ABL representing 99.99% of the entire share capital of ABL.

The product offered by is a combination between savings and loans and, besides the state premium granted by the Romanian State, the Issuer offers fixed interest both on savings and on loans. The “Bauspar” system for housing purposes has a social role, encouraging the long-term savings and improving the housing conditions in Romania.

At the end of 2020, ABL had a share capital of RON 31.68 million and assets amounting to RON 288.9 million.

In March 2021, ABL has increased its share capital with RON 65 million from RON 31.68 million to RON 96.68 million.

ABL's current activity level is limited due to the ongoing litigation in connection with the alleged deficiencies identified by the Romanian Court of Accounts (See section “**7. Legal and Arbitration Proceedings**”).

However, to put the above-mentioned principal subsidiaries of the Issuer in perspective in the context of the Group, the Issuer represents more than 97% of the Group's assets.

#### ***Dependencies on other entities within the RBI Group or the Group***

The Issuer is operationally independent from the RBI Group, but strategically integrated in the RBI Group's operations with steering influences received in virtue of the ownership position. As such, material changes in the strategy at the RBI Group level can result in changes with regards to steering direction at the Issuer level. Also, the Issuer represents the RBI Group within the local market, thus any perceived adverse effect at the RBI Group level may have an adverse effect on the Issuer.

## **4. TREND INFORMATION**

### **4.1 Material adverse changes in the prospects of the Issuer since the date of its last published audited financial statements**

Since 31 December 2020 there have been no material adverse changes in the prospects of the Issuer.

### **4.2 Significant change in the financial performance of the Issuer since the end of the last financial period for which financial information has been published**

Since 31 December 2020 there have been no significant changes in the financial performance of the Issuer to the date of this Prospectus.

### **4.3 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year**

The Issuer has identified the following trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on its prospects for at least the current financial year:

- The ongoing Covid-19 pandemic has significantly impacted the Issuer's 2020 results versus its 2020 budget as approved in 2019. During 2020 significant actions have been undertaken by international and local authorities aiming to mitigate the short-term negative effects of the COVID-19 pandemic but the pace of the economic recovery remains uncertain. Also, due to the novelty of many such measures, long term impact and effects of the ongoing COVID-19 pandemic cannot be fully assessed at this time, and uncertainty may linger for a significant period, triggering potential negative consequences for the business prospects of the Issuer.

- Continuing increasing regulatory requirements.

The regulatory requirements (as implemented by the CRR, CRD IV and BRRD) and the respective amendments (in particular the EU Banking Package and the Basel III reforms (for further details see also in the section Risk Factors under 1.3. *“The Issuer is subject to substantial regulation and regulatory and governmental oversight. Any new governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could subject the Issuer to increased capital requirements standards and require it to obtain additional capital or liquidity in the future.”*)), as well as any stress tests conducted by the competent authorities, will likely result in increased requirements for the Issuer, – in particular on its capital and liquidity planning – which may restrict the Issuer's margin and potential for growth.

- General trends regarding the financial services industry.

The uncertainties affecting the financial services sector, in addition to the afore-mentioned effects of the Covid-19 pandemic, continue to include the macroeconomic environment development. The financial services sector as a whole, including the Issuer, is affected by the related instability of and volatility on the financial markets, including a potential general economic downturn. Thus, the Issuer may not be able to escape the effects of corporate insolvencies, deteriorations in the creditworthiness of borrowers and valuation uncertainties. Likewise, the low interest rate environment could affect the behaviour of investors and customers alike, which may lead to weaker fee income for the Issuer and/or pressure on the interest rate spread.

#### **4.4 Profit Forecasts or Estimates**

Not applicable. This Prospectus does not contain profit forecasts or estimates.

### **5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES**

#### **5.1 Members of the administrative, management and supervisory bodies of the Issuer**

The Issuer is managed in a two-tier management system consisting of the Management Board and the Supervisory Board.

The members of the Management Board and the Supervisory Board may be contacted at the Issuer's business address at 246C Calea Floreasca, Sky Tower Building, floors 2<sup>nd</sup> – 7<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup>, Bucharest 1<sup>st</sup> District, Romania.

#### ***The Supervisory Board and the Management Board***

The two-tier management system allows for the segregation of the Issuer's management responsibilities – carried out by the Management Board – from the responsibilities of control/supervision that are fulfilled by the Supervisory Board. The dual management system ensures the operational decision-making process to become efficient, while increasing control over the decision makers.

The Supervisory Board exercises an ongoing control over the Issuer's current management activity conducted by the Management Board. The Supervisory Board consists of 9 members appointed by the General Meeting of Shareholders within four-year mandates, being possible to be re-elected for additional mandates.

The Management Board ensures the managing of the Issuer's current business and it consists of 7 members appointed by the Supervisory Board for mandates of up to 4 years, with the possibility of being re-appointed for additional time periods.

At the date of this Prospectus, the current members of the Supervisory Board and the Management Board listed below hold the following additional supervisory board mandates or similar functions in various companies as of the date of this Prospectus.

The current members of the Management Board and the Supervisory Board listed below hold the following additional supervisory board mandates or similar functions in various companies as of the date of this Base Prospectus.

Member	Major functions outside the Issuer (functions within the Issuer's Group are marked with *)
<b>Members of the Issuer's Management Board</b>	
<b>Steven Cornelis van Groningen</b> (Chairman)	<b><i>Management Board functions</i></b> <ul style="list-style-type: none"> <li>Federatia Patronala a Serviciilor Financiare din Romania, Bucharest, Romania (Chairman)</li> <li>Confederatia Patronala Concordia, Bucharest, Romania (Chairman)</li> <li>Foreign Investors Council, Bucharest, Romania (Member)</li> <li>Council of Banking Employers in Romania, Bucharest Romania (Member)</li> </ul> <b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>Aedificium Banca pentru Locuinte S.A., Bucharest, Romania (Chairman)</li> </ul>
<b>Vladimir Nikolov Kalinov</b> (Vice-president)	<b><i>Management Board functions</i></b> <ul style="list-style-type: none"> <li>Raiffeisen Leasing IFN S.A., Bucharest, Romania (Chairman)</li> <li>Biroul de Credit S.A., Bucharest, Romania (Member)</li> </ul> <b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>Aedificium Banca pentru Locuinte S.A., Bucharest Romania (Member)</li> </ul>
<b>Cristian Marius Sporiş</b> (Vice-president)	<b><i>Management Board function</i></b> American Chamber of Commerce in Romania, Bucharest, Romania (Vice-Chairman)
<b>Iancu Mircea Busuiocanu</b> (Vice-president)	None.



<b>Member</b>	<b>Major functions outside the Issuer</b> (functions within the Issuer's Group are marked with *)
<b>Nicolae Bogdan Popa</b> (Vice-president)	None.
<b>Mihail -Catalin Ion</b> (Vice-president)	None.
<b>Members of the Issuer's Supervisory Board</b>	
<b>Johann Strobl</b> (Chairman)	<p><i>Supervisory Board functions</i></p> <ul style="list-style-type: none"> <li>• AO Raiffeisenbank, Moscow, Russia (Chairman)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Member)*</li> <li>• Tatra banka, a.s., Bratislava, Slovakia (Vice-Chairman)*</li> <li>• UNIQA Insurance Group AG, Vienna, Austria (Vice-Chairman)*</li> <li>• UNIQA Österreich Versicherungen AG, Vienna, Austria (Member)*</li> <li>• Oesterreichische Kontrollbank Aktiengesellschaft, Vienna, Austria (Vice-Chairman)*</li> </ul> <p><i>Management Board functions</i></p> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Chairman)*</li> <li>• Raiffeisen Kooperations eGen, Vienna, Austria (Member)*</li> </ul>
<b>Hannes Mösenbacher</b> (Deputy Chairman)	<p><i>Supervisory Board functions</i></p> <ul style="list-style-type: none"> <li>• Raiffeisen Centrobank AG, Vienna, Austria (Vice-Chairman)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Member)*</li> <li>• AO Raiffeisenbank, Moscow, Russia (Member)*</li> <li>• Tatra banka, a.s., Bratislava, Slovakia (Member)*</li> </ul> <p><i>Management Board function</i></p> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Member)*</li> <li>• Sektorrisiko eGen, Vienna, Austria (Chairman)</li> </ul>
<b>Peter Lennkh</b>	<i>Supervisory Board functions</i>

Member	Major functions outside the Issuer (functions within the Issuer's Group are marked with *)
	<ul style="list-style-type: none"> <li>• Raiffeisen Bank Sh.a., Tirana, Albania (Chairman)*</li> <li>• Raiffeisen banka a.d., Belgrade, Serbia (Chairman)*</li> <li>• Raiffeisen Bank Kosovo J.S.C., Prishtina, Kosovo (Chairman)*</li> <li>• AO Raiffeisenbank, Moscow, Russia (Member)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Vice-Chairman)*</li> <li>• Tatra banka, a.s., Bratislava, Slovakia (Member)*</li> <li>• Oesterreichische Kontrollbank Aktiengesellschaft, Vienna, Austria (Member)</li> <li>• Raiffeisenbank (Bulgaria) EAD, Sofia, Bulgaria (Chairman)*</li> </ul> <p><b>Management Board function</b></p> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Member)*</li> </ul>
<b>Andreas Gschwenter</b>	<p><b>Supervisory Board functions</b></p> <ul style="list-style-type: none"> <li>• Raiffeisenbank Austria d.d., Zagreb, Croatia (Chairman)*</li> <li>• Raiffeisen Bank Zrt., Budapest, Hungary (Chairman)*</li> <li>• AO Raiffeisenbank, Moscow, Russia (Member)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Member)*</li> <li>• Tatra banka, a.s., Bratislava, Slovakia (Member)*</li> <li>• RSC Raiffeisen Service Center GmbH, Vienna, Austria (Vice-Chairman)*</li> <li>• Raiffeisen Informatik Geschäftsführungs GmbH, Vienna, Austria (Vice-Chairman)*</li> </ul> <p><b>Management Board function</b></p> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Member)*</li> </ul>
<b>Claudia Pendred</b> (Independent member – elected on 22.04.2021, subject to NBR approval)	<p><b>Management Board function</b></p> <ul style="list-style-type: none"> <li>• MAS Real Estate Inc., Listed in South Africa, Focused on CEE/SEE (Member)</li> <li>• GED Eastern fund II, Private Equity Fund, Focused on Romania (Member)</li> </ul>

Member	Major functions outside the Issuer (functions within the Issuer's Group are marked with *)
<b>Ana Maria Mihăescu</b> (Independent member)	<b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>• MedLife SA, Romania (Member)</li> <li>• ICME ECAB SA, Romania (Member)</li> <li>• Black Sea Oil &amp; Gas SA, Romania (Member)</li> </ul>
<b>Andrii Stepanenko</b>	<b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>• Raiffeisen Centrobank AG, Vienna, Austria (Member)*</li> <li>• Raiffeisen Bank Aval JSC, Kyiv, Ukraine (Vice-Chairman)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Member)*</li> <li>• Tatra banka, a.s., Bratislava, Slovakia (Chairman)*</li> <li>• AO Raiffeisenbank, Moscow, Russia (Member)*</li> <li>• Kathrein Privatbank Aktiengesellschaft, Vienna, Austria (Chairman)*</li> <li>• Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, Austria (Chairman)*</li> </ul> <b><i>Management Board function</i></b> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Member)*</li> </ul>
<b>Lukasz Janusz Januszewski</b>	<b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>• Raiffeisen Centrobank AG, Vienna, Austria (Chairman)*</li> <li>• AO Raiffeisenbank, Moscow, Russia (Member)*</li> <li>• Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, Austria (Vice-Chairman)*</li> <li>• Raiffeisenbank a.s., Prague, Czech Republic (Chairman)*</li> <li>• Raiffeisen Bank Aval JSC, Kyiv, Ukraine (Chairman)*</li> </ul> <b><i>Management Board function</i></b> <ul style="list-style-type: none"> <li>• Raiffeisen Bank International AG, Vienna, Austria (Member)*</li> </ul>
<b>Pedro Miguel Weiss</b> (Independent member)	<b><i>Supervisory Board functions</i></b> <ul style="list-style-type: none"> <li>• Aegean Baltic Bank (Member)</li> </ul>

Member	Major functions outside the Issuer (functions within the Issuer's Group are marked with *)
	<ul style="list-style-type: none"> <li>• FINCA UK (Member)</li> <li>• Cypet Technologies Ltd (Member)</li> </ul>

## 5.2 Administrative, Management and Supervisory bodies' Potential Conflicts of Interest

The Issuer is not aware of any undisclosed respectively unmanaged conflicts of interest between the obligations of the Issuer's Supervisory Board members and/or the Management Board members and their private or other interests.

In addition, the Issuer has internal provisions pursuant to the NBR regulation no 5/2013 regarding the prudential requirements for credit institutions as well as compliance rules (taking into account respective Romanian legal provisions as well as the EBA Guidelines for internal governance (EBA/GL/2017/11), the Joint ESMA and EBA Guidelines on the assessment of suitability of members of the management body and key function holders.

Their objective is to prevent conflicts of interests which may adversely affect the interests of customers or of the Issuer. If any conflicts of interest are identified with respect to the members of the Management Board or Supervisory Board, procedures will be in place or measures will be taken in order to cope with and in particular to disclose such conflicts of interest:

- The guidelines and rules related to potential or actual conflicts which may affect the Issuer, the employees themselves (including management), their spouses/partners, children or other family members living in the same household to the extent that these persons have a close relationship with customers or other contractual partners (in particular suppliers) or issuers of financial instruments.
- Each member of the Management Board must promptly disclose any conflict of interest to the Supervisory Board and inform the other members of the Management Board of the conflict.
- The various functions held by the members of the Supervisory Board might cause a potential conflict of interest in specific circumstances. However, the members of the Supervisory Board are required to disclose immediately any conflict of interest to the Chairman of the Supervisory Board, especially if such conflicts may arise as a result of consultancy services or by holding a board position with a business partner. In the event that the Chairman himself should encounter a conflict of interest, he must report this immediately to the Deputy Chairman.

No potential conflict of interests exists in respect of any member of the Management Board or Supervisory Board between his duties to the Issuer and his private or other duties. Members of the Management Board or Supervisory Board may enter into business transactions with the RBI Group in the ordinary course of business on an arm's length basis.

Members of the Management Board of the Issuer serving on the management boards or supervisory boards or performing any similar functions in other companies/foundations

Members of the administrative, management and supervisory bodies of the Issuer, may, in individual cases, be confronted with conflicts of interest arising in the context of the Issuer's banking operations if the Issuer maintains active business relations with such other companies.

Generally, members of the Issuer's executive bodies serving on management or supervisory boards outside the Issuer, including customers of and investors in the Issuer, in individual cases, may be confronted with potential conflicts of interest if the Issuer maintains active business relations with said companies.

Based on the information available to the Issuer at the date of this Prospectus, there is no conflict between the duties of the Issuer's administrative, management and supervisory bodies concerning the Issuer and their private interests and/or other duties.

Insofar as new situations of conflicts of interest arise, the persons concerned will fully comply with the applicable legal and internal provisions addressing conflicts of interest.

## **6. SHARE CAPITAL AND MAJOR SHAREHOLDERS**

### **6.1 Share capital of the Issuer**

As of the date of this Prospectus, the Issuer's nominal share capital amounts to RON 1,200,000,000 and is fully subscribed and paid. It is divided into 12,000 nominative, dematerialised shares, each having a nominal value of RON 100,000 and granting equal voting rights. The shares in the Issuer are not listed on any market.

### **6.2 Shareholders of the Issuer**

The Issuer is majority-owned by Raiffeisen SEE Region Holding GmbH ("RSRH"), an Austrian company registered with Commercial Court of Vienna under number FN 255194 k, with its registered seat at Am Stadpark 9, 1030 Vienna, Austria, which holds 99,92 per cent. of the Issuer's share capital as of the date of this Prospectus. RSRH is indirectly held by RBI (100%). The remaining shares of the Issuer are owned by two legal entities (in total 2 shares, representing 0,02% of the share capital of the Issuer) and six natural persons (in total 7 shares, representing 0,06% of the share capital of the Issuer).

As mentioned above, the majority voting rights in the Issuer is held directly by RSRH and indirectly by RBI. Hence, RSRH exercises direct control over the Issuer through the majority of voting rights and, implicitly, through the right to appoint most of the members in the Supervisory Board.

Notwithstanding the control relationship between the Issuer and RSRH, the applicable Romanian legislation as well as the internal by-laws of the Issuer prevent the controlling shareholder from exercising its rights in an abusive manner; in particular: (i) the transactions and relationships in place between the Issuer and its controlling shareholder comply with the arm's length principle and are entered into on a normal commercial basis; (ii) the control is not exercised against the interests of the Issuer; (iii) each share issued by the Issuer grants equal rights to any holder thereof; and (iv) misuse of corporate assets is strictly prohibited under the applicable corporate laws and internal regulations.

To the best of the knowledge of the Issuer, there are measures, like applicable corporate governance regulations, to ensure that such control over the Issuer is not abused.

The source of the abovementioned information is internal data as of 31 December 2020.

### **6.3 Arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer**

At the date of this Prospectus, there are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

## **7. LEGAL AND ARBITRATION PROCEEDINGS**

The Issuer is involved and has been involved in the twelve months preceding the date of this Prospectus in certain legal, governmental or arbitration proceedings before various courts and governmental agencies arising in the ordinary course of business involving contractual and other matters.

The following is a description of the most significant proceedings in which the Issuer is currently involved:

- (a) Following an audit review of the Romanian Court of Accounts regarding the activity of Aedificium Banca pentru Locuinte S.A. ("ABL"), finalised in 2016, the Romanian Court of Auditors claimed that several deficiencies were identified and that conditions for state premiums on savings have not

been met. Thus, such premiums may have to be repaid. Should ABL not succeed in reclaiming said amounts from its customers or providing satisfactory documentation, ABL would be liable for the payment of such funds. ABL has initiated a contestation process against the position of the Romanian Court of Accounts. The High Court of Cassation and Justice of Romania has definitively ruled in the file, rejecting the Issuer's appeal and partially annulling the Decision of the Court of Auditors. Another decision is being expected relating to the exception of unconstitutionality, which was invoked by ABL. This case was sent by the High Court of Cassation and Justice of Romania to the Constitutional Court with a proposal for admission (in the High Court's opinion the exception invoked by ABL should be admitted). ABL may not be able to receive reimbursement of such funds from its customers due to legal and practical reasons. Given current uncertainties, on December 31, 2020 the Group made a provision of RON 91.6 million (2019: RON 47.9 million), which represent the possible outcomes of different scenarios (regarding the repayment of premiums and related penalties), weighted by their associated probabilities. In its separate financial statements, the Issuer has fully provisioned its participation in ABL, meaning a provision of RON 12.5 million (2019: RON 42.5 million), has booked a write-off of the participation in amount of RON 45 million (2019: nil) and set-up a litigation provision in amount of RON 36.7 million (2019: nil). The current estimation in case of an unfavorable decision in the Constitutional Court about the maximum exposure of the Issuer in the most likely scenario of computation considering 3 years prescription period is RON 137.09 million (the maximum potential loss being RON 259.88 million in the less likely scenario considering 5 years prescription period).

- (b) As of 20 October 2017, the Issuer received from the National Authority for Consumer Protection („ANPC”) an Order (no. 837) which requires the cancellation of an alleged incorrect practice of non-informing the customers about the future interest evolution upon loan origination. In addition to a RON 50,000 fine, the Order requires the Issuer to bring the contracts to the situation before the illegal practice, including the issue of a new reimbursement plan, with the conditions applicable on signing date. This is in contradiction with the effects of an Order aimed at stopping a practice which has effects in the future and is not an action in cancellation which would have been retrospective. At the date of this prospectus, the Order is definitively suspended and a litigation regarding its validity is ongoing. In the first instance, the Issuer lost the litigation with ANPC. Still, the Issuer has initiated the appeal at the High Court of Cassation and Justice, with an arraignment first hearing on December 7, 2021. The decision of the first instance has no legal effect, taking into consideration that the Order is suspended until an irrevocably decision is made in this file. For this legal dispute, the Issuer calculated a provision based on all possible scenarios, which are weighed with probabilities in order to obtain the best estimated expected loss. The value of this provision, as of December 31, 2020, is RON 69 million (2019: RON 68 million) and has been made as a result of losing the litigation in the first instance.
- (c) In the period December 2017 – May 2019, the Issuer had been subject to a fiscal audit from Romanian Tax Authority (“ANAF”). The object of the audit was income tax (period 2011-2016) and withholding tax (period 2013-2016). The fiscal audit report indicated total additional charges of RON 262.4 million which includes income tax, withholding tax and related penalties. The Issuer has paid all the charges resulting from the fiscal inspection. In response, the Issuer submitted an administrative appeal against the inspection report, requesting its cancellation. During 2020, the Issuer received the answer to the appeal according to which the Issuer is entitled to receive back 10% of the principal charges included in the tax report. The Issuer continued legal procedures for the recovery of the remaining amounts and initiated a litigation in this respect. Based on the facts and documents presented to the tax authority concerning certain operations that were the object of the control performed by the tax authority, considering the reclassification/qualifications made by the tax authority, and considering the opinions issued by the tax advisers and by the law firm that will represent the Issuer in a potential litigation against the tax authority, the Issuer assessed that it is more likely that a court decision would be favourable to the Issuer (in the sense of acknowledging the operations as performed by the Issuer) than to have a non- favorable court decision. As a result, the Issuer recognised in 2020 as expense an amount of RON 35.3 million, in addition to the amount of RON 21.5 million reflected in 2019. The remaining amount of RON 205.6 million (2019: RON 240.9 million) paid is reflected as prepayment. In 2020, the Issuer reclassified part of the income

tax receivable from the tax audit, from “Other assets” to “Current tax receivable” position. The reclassified amount is RON 144.4 million. This reclassification is a result of the IFRS Interpretations Committee agenda decision dated September 2019. This decision clarifies the presentation of uncertain tax assets and liabilities. Therefore, the amount paid in advance to the tax authorities representing income tax and related penalties has been reclassified into “Current tax receivable” position for December 2019.

Save as disclosed in this section “**7. Legal and Arbitration Proceedings**” and based on the Issuer’s and the Group’s current assessment of the facts and legal implication, there are no other governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months prior to the date of this Prospectus, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

## **8. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE GROUP**

Save as disclosed in section “**4.3 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for at least the current financial year**”, first bullet point (“Outbreak of the corona virus disease (“COVID-19”) above, there has been no significant change in the financial position of the Group since 31 December 2020.

## **9. MATERIAL CONTRACTS**

The Issuer and its subsidiaries have not entered into any material contracts outside the ordinary course of business which could result in any member of the Issuer’s Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligation to holders of the Notes

## **10. THIRD PARTY INFORMATION**

If and to the extent information contained in this Prospectus, as supplemented from time to time, has been sourced from a third party, the Issuer confirms that to the best of its knowledge this information has been accurately reproduced and that, so far as the Issuer is aware and able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **11. DOCUMENTS ON DISPLAY**

This Prospectus, any supplements hereto and the documents incorporated herein by reference are available on the Issuer’s Website ([www.raiffeisen.ro](http://www.raiffeisen.ro)) and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The day of such first publication is deemed to be the valid day of publication.

This Prospectus is valid for a period of twelve months from the date of its approval. For the period of validity of this Prospectus all documents mentioned above and Issuer’s Articles of Association are available free of charge at the Issuer’s registered office and on the Issuer’s Website ([www.raiffeisen.ro](http://www.raiffeisen.ro)).

The Issuer’s Articles of Association can be inspected under [www.raiffeisen.ro/despre-noi/guvernanta-corporativa/](http://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/).

## FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE

The specified parts of the following documents which have been previously published or are simultaneously published with this Prospectus and which have been filed with the CSSF are incorporated by reference into and form part of this Prospectus.

In the information extracted from the Issuer's financial reports which have been incorporated by reference pursuant to the subsections below, the terms "Raiffeisen Bank S.A.", "Raiffeisen" or "Bank" refer to "the Issuer" as defined in this Prospectus.

Document/Heading	Page reference in the relevant document
<p>English language translation of the Raiffeisen Bank S.A.'s Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union (the "<b>Audited IFRS-EU Financial Statements 2019</b>") and the audit report for the Financial Statements 2019</p> <p><b>Source:</b> the English language translation of the Annual Report 2019, as made available on the Issuer's Website.</p>	
<p>Independent Auditor's Report</p> <p>Consolidated and Separate Statement of Comprehensive Income - only information related to the column entitled "Group"</p> <p>Consolidated and Separate Statement of Financial Position - only information related to the column entitled "Group"</p> <p>Consolidated and Separate Statement of Changes in Equity - only information related to the table entitled "Group"</p> <p>Consolidated and Separate Statement of Cash Flows - only information related to the column entitled "Group"</p> <p>Notes to the Financial Consolidated and Separate Statements for fiscal year ended at 31 December 2019 - only information related to the Group and to the columns "Group"</p>	<p>70-74</p> <p>75</p> <p>76</p> <p>77</p> <p>78-79</p> <p>80-255</p>
<p>English language translation of the Raiffeisen Bank S.A.'s Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union (the "<b>Audited IFRS-EU Financial Statements 2020</b>") and the audit report for the Financial Statements 2020</p> <p><b>Source:</b> the Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union 2020 of the Issuer (containing the audited Consolidated Financial Statements for the fiscal year 2020), as made available on the Issuer's Website).</p>	
<p>Independent Auditor's Report</p>	<p>1-9</p>



<b>Document/Heading</b>	<b>Page reference in the relevant document</b>
Consolidated and Separate Statement of Comprehensive Income - only information related to the column entitled “Group”	1
Consolidated and Separate Statement of Financial Position - only information related to the column entitled “Group”	2
Consolidated and Separate Statement of Changes in Equity - only information related to the table entitled “Group”	3
Consolidated and Separate Statement of Cash Flows - only information related to the column entitled “Group”	4-5
Notes to the Financial Consolidated and Separate Statements for fiscal year ended at 31 December 2020 - only information related to the Group and to the columns “Group”	6-170

Please note that the English language translations referred to above are translations from the originals, which were prepared in Romanian language. All possible care has been taken to ensure that the translations are accurate representation of the originals.

For the avoidance of doubt, such parts of the Audited IFRS-EU Financial Statements 2019 and Audited IFRS-EU Financial Statements 2020 (as defined above) respectively, which are not explicitly listed in the tables 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.

References in the independent auditor’s reports to “other information” are references to the administrators’ report and the non-financial statement. Such administrators’ report and non-financial statement are not incorporated by reference into this Prospectus.

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.

The indicated page references in the tables above regarding the Audited IFRS-EU Financial Statements 2019 and Audited IFRS-EU Financial Statements 2020 (as defined above) were extracted from the page numbers indicated in the header/footer of the relevant document. It is noted that the page references indicated in the relevant table of contents do not always correspond to the page number indicated in the header/footer of the relevant document. The page references for the relevant Independent Auditor’s Report correspond to the page numbers indicated in the header/footer of the relevant document (if any).

#### ***Availability of documents incorporated by reference***

Any documents incorporated herein by reference are available free of charge and may be inspected during usual business hours on any working day from the date hereof for the whole life of the Prospectus at Raiffeisen Bank S.A., 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7th, 10th and 15th, Bucharest 1st District, Romania and will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from Raiffeisen Bank S.A., 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7th, 10th and 15th, Bucharest 1st District, Romania and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Electronic versions of the documents incorporated by reference are also available on the website of the Issuer and can be accessed by using the following hyperlinks:

1. The Annual Report 2019 containing the “**Audited IFRS-EU Financial Statements 2019**” and the audit report for the Financial Statements 2019

URL: <https://www.raiffeisen.ro/doc/Annual-Report-Raiffeisen-Bank-2019.pdf>

2. The “**Audited IFRS-EU Financial Statements 2020**” and the audit report for the Financial Statements 2020

URL: <https://www.raiffeisen.ro/doc/Raiffeisen-Bank-Financial-Statements-2020.pdf>

### ***Selected financial information***

The selected financial information is extracted from the consolidated financial statements as of 31 December 2020 and of 31 December 2019 and is to be read in conjunction with these financial statements. The consolidated financial statements have been prepared in accordance with Order no. 27/2010 of the NBR and subsequent amendments, which require that these consolidated financial statements are prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (“**IFRS**”). The financial statements have been audited by the independent Auditor.

The Group’s accounting policies applied in preparing the Annual Consolidated Financial Statements are described in Note 3 to the Annual Consolidated Financial Statements.

Selected historical key financial information as at and for the years ended 31 December 2020 and 31 December 2019:

	<b>The Group</b>		<b>The Issuer</b>	
in RON thousands	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Total liabilities and equity	52,053,205	43,856,228	51,282,912	42,878,724
Total equity	5,503,544	4,830,705	5,376,751	4,694,993
Net interest income	1,749,647	1,759,304	1,707,146	1,719,142
Net result for the period	636,609	834,710	644,140	779,455
Net result attributable to non-controlling interests	477	626	483	585
Net result attributable to owners of the parent	636,132	834,084	643,657	778,870

*Source: Annual Consolidated Financial Statements*

## ISSUE PROCEDURES

### 1. General

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of the Notes (the “**Conditions**”). The Conditions of the relevant Notes will result from the choice of a set of Terms and Conditions (the “**Terms and Conditions**”) (each such set of Terms and Conditions an “**Option**”) as set forth below and from the provisions of the Final Terms, as set out and described in more detail below.

#### 1.1 Options for sets of Terms and Conditions

This Securities Note provides for various sets of Terms and Conditions. The Final Terms enable the Issuer to choose among the following Options:

- Option I – Terms and Conditions for Ordinary Senior Notes.
- Option II – Terms and Conditions for Subordinated Notes.
- Option III – Terms and Conditions for Eligible Notes.

#### 1.2 Documentation of the Conditions

The Issuer may document the Conditions of an individual issue of Notes in either of the following ways:

- The Final Terms shall determine by the choice of the set of Terms and Conditions (Option I, Option II or Option III) and the complete replication of all applicable selections and the completion of the relevant placeholders contained in the relevant set of Terms and Conditions, which Option and which selections shall be applicable to the individual issue of Notes. The replicated and completed provisions of the respective Option plus Part II of the Final Terms shall constitute the Conditions of the Notes, which will be attached to each Global Note / Global Certificate representing the Notes.
- Alternatively, the Final Terms shall determine which set of Terms and Conditions (Option I, Option II or Option III) shall be applicable and which selections within the chosen Option are applicable to the individual issue by only referring to the specific sections of the relevant Option. The Final Terms will then specify that the provisions of Part I of the Form of Final Terms and the relevant Option, taken together with Part II of the Form of the Final Terms, shall constitute the Conditions. Each Global Note / Global Certificate representing the tranche of the respective Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Securities Note attached.

#### 1.3 Choice of Options

The Final Terms shall determine in the first step which of Option I, Option II or Option III shall be applicable to the individual issue of Notes. Each of the sets of Terms and Conditions of Option I, Option II or Option III contains also certain further sub-options (characterised by indicating the optional provision through instructions and explanatory notes set out in the square brackets within the text of the relevant Option) as well as placeholders (characterised by square brackets which include the relevant items) which, based on the features determined for the concrete issue, will be determined by the Final Terms as follows:

#### 1.4 Determination of selections

The Issuer will determine which selections will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the sections of the relevant Option. If the Final Terms do not replicate or refer to an alternative or optional provision the relevant provisions shall be deemed to be deleted from the Conditions.

### **1.5 Completion of Placeholders**

The Final Terms will specify the information with which the placeholders in the relevant Option will be completed. In case of replication of the applicable provisions the placeholders will be completed at the relevant place in the respective Option. In case the provisions of the Final Terms and the relevant Option, taken together, shall constitute the Conditions the relevant Option shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.

In that case, all instructions and explanatory notes and text set out in square brackets and not chosen in the relevant Option and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

### **1.6 Deletion of Options and Placeholders in the Final Terms**

When preparing the Final Terms the Issuer may, in the case that the Final Terms together with the relevant Option represent the Conditions, delete not chosen or filled in placeholders or, as the case may be, provisions that are not applicable for reasons of readability.

## TERMS AND CONDITIONS OF THE NOTES

The Terms and Conditions of the Notes (the “**Terms and Conditions**”) are set forth below for three options:

- **Option I** comprises the set of Terms and Conditions that apply to Tranches of Notes which are Ordinary Senior Notes.
- **Option II** comprises the set of Terms and Conditions that apply to Tranches of Subordinated Notes.
- **Option III** comprises the set of Terms and Conditions that apply to Tranches of Eligible Notes.

The set of Terms and Conditions for each of these Options contains certain further sub options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the Option.

In the Final Terms the Issuer will determine, which of Option I, Option II or Option III including certain further sub options contained therein, respectively, shall apply with respect to an individual issue of Notes, either by replicating the relevant provisions or by referring to the relevant options.

To the extent that upon the approval of this Prospectus the Issuer had no knowledge of certain items which are applicable to an individual issue of Notes, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.

***In case the options applicable to an individual issue are to be determined by referring in the Final Terms to the relevant options contained in the set of Terms and Conditions for Option I, Option II or Option III, insert:***

- The provisions of these Terms and Conditions apply to the Notes as completed by the terms of the final terms which are attached hereto (the “Final Terms”). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified office of the Fiscal Agent and at the registered office of the Issuer provided that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.

## TERMS AND CONDITIONS FOR ORDINARY SENIOR NOTES

### OPTION I - TERMS AND CONDITIONS FOR ORDINARY SENIOR NOTES

#### §1 Definitions

“**Conditions**” means these Terms and Conditions of the Notes as completed.

*[If Reference Interest Rate is applicable, insert:]*

“**Screen Page** [[•]]” means [REUTERS Screen Page [EURIBOR01] [ROBOR=] **[insert Screen Page and additional information if necessary]** or each successor page.]

*[If Reference Swap Rate is applicable, insert:]*

“**Screen Page** [[•]]” means [•]

“**Clearing System**” means *[if more than one Clearing System insert: each of]:* [Clearstream Banking, S.A., Luxembourg, (“**CBL**”)] [,] [and] [Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”)] [(CBL and Euroclear are each an “**ICSD**” (International Central Securities Depository) and together the “**ICSDs**”)] [,] [and] [Depozitarul Central SA as clearing system for the Notes listed at Bucharest Stock Exchange].

[“**Business Day**” means any day (other than a Saturday or a Sunday) on which [the Clearing System] *[if the Specified Currency is EUR or if TARGET is needed for other reasons insert: [as well as] the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) (“**TARGET**”)] [is] [are] operational] *[if the Specified Currency is not EUR or if needed for other reasons insert: [and] commercial banks and foreign exchange markets settle payments in [all relevant financial centres].]**

“**Holder**” means any holder of a co-ownership interest or other beneficial interest or right in the Notes.

*[If Reference Rate is applicable, insert:]*

“**Reference Rate**” means a value, [which] [the performance of which] determines [the height of a/the] [floating interest rate(s)] [and][or] [the Redemption Amount][and][or][if any interest will be paid for a certain interest period][and] [or] [the maturity of the Notes]**[insert any other legal consequence]** (i.e. an interest rate, a Swap Rate, an exchange rate, etc.).]

*[If the Reference Rate is an Interest Rate, insert:]*

“**Reference Interest Rate**” means the offered quotation for the [number]-month [EURIBOR] [ROBOR] [€STR] **[insert other reference interest rate]** which appears on the Screen Page as of [11.00 a.m.] **[insert other relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day].]**

*[For EURIBOR or any other Reference Rate other than a compounded daily overnight reference rate, insert:]*

If – other than in case of a Discontinuation Event (as defined below) - the relevant Screen Page is not available or if no such quotation appears as at such time, the Issuer shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *[per annum]*) **[insert other period]** for the Reference Interest Rate at approximately [11.00 a.m.] **[insert relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]**. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Interest Rate [for such Interest Period] shall be the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth])**[insert other rounding rules]** of a percentage point, with [0.0005][0.00005] [0.000005]**[insert other rounding rules]** being rounded upwards) of such offered quotations[, however at least 0.00 per cent p.a.], all as determined by the Calculation Agent.

If on any [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]** only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as

provided in the preceding paragraph, the Reference Interest Rate [for the relevant Interest Period] **[determine other event]** shall be the rate *[per annum]* **[insert other time period]** which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth] **[insert other rounding rules]** of a percentage point, with [0.0005][0.00005] [0.000005]**[insert other rounding rules]** being rounded upwards) of the rates, as communicated at the request of the Issuer to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m.][**insert relevant time**] (**insert relevant time zone**) on the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]**, deposits in the Specified Currency for the relevant Interest Period by leading banks in the **[insert financial centre]** interbank market [in the Euro-Zone] [, however at least 0.00 per cent p.a.].

If the Reference Interest Rate cannot be determined in accordance with the foregoing provisions the Issuer will determine the Reference Interest Rate [for the relevant Interest Period] **[define other event]** at its equitable discretion according to § 317 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“BGB”) and also having regard to the operational requirements of the Calculation Agent. The Issuer shall notify the Calculation Agent of any determination made by it under this Conditions.

“**Reference Banks**” means the offices of not less than [four] **[insert other number]** major banks in the [relevant] **[insert relevant financial centre]** interbank market [in the Euro-Zone].]

*[For €STR insert:*

“**€STR**” means, in respect of any €STR-Business Day, a reference rate equal to the daily euro short-term rate for such €STR-Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the “**ECB’s Website**”) in each case, on or before 9:00 a.m., (Central European Time) on the €STR-Business Day immediately following such €STR-Business Day.

Notwithstanding the paragraph above, in the event the European Central Bank publishes guidance as to (i) how €STR is to be determined or (ii) any rate that is to replace €STR, the [Calculation Agent] **[●]** shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine €STR for the purpose of the Notes for so long as €STR is not available or has not been published by the authorised distributors.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions by the [Calculation Agent] **[●]**, the Interest Rate shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date.

Where:

“**€STR-Business Day**” means any day which is a TARGET Business Day.]

*[For EURIBOR or another Reference Interest Rate other than a compounded daily overnight reference rate, insert:*

*Reference Interest Rate replacement in case of a Discontinuation Event.* If the Issuer determines in its reasonable discretion (i) it becomes unlawful for the Issuer or the Calculation Agent to use the Reference Interest Rate, or (ii) the administrator of the Reference Interest Rate ceases to calculate and publish the Reference Interest Rate permanently or for an indefinite period of time, or (iii) the administrator of the Reference Interest Rate becomes insolvent or an insolvency, a bankruptcy, restructuring or similar proceeding (affecting the administrator) is commenced by the administrator or its supervisory or regulatory authority, or (iv) the Reference Interest Rate is otherwise being discontinued or otherwise ceases to be provided (each of the events in (i) through (iv) a “**Discontinuation Event**”), the Reference Interest Rate shall be replaced, on [the] [each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day(s)]**, by a rate

determined or procured, as the case may be, by the Issuer (the “**Successor Reference Interest Rate**”) according to the following paragraphs in the order of (I)-(I):

- (I) The Reference Interest Rate shall be replaced with the reference rate, which is determined by any applicable law or regulation or announced by the administrator of the Reference Interest Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Interest Rate and the source of which is accessible to the Calculation Agent. The Issuer shall thereafter inform the Calculation Agent at the latest 10 days prior to the Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14. [If, on any previous [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**], the Successor Reference Interest Rate was also determined in accordance with the provisions of paragraph I), no [other] publication obligations will apply for the Issuer in connection with such Successor Reference Rate or any adjustments or changes made in relation thereto or relating to the determination of the [Rate of Interest] [or] [the] [Interest Amount][**determine other rate or amount**] as set out below; ]
- (II) An Independent Advisor will in its reasonable discretion (*billiges Ermessen*) choose a successor reference rate that is most comparable to the Reference Interest Rate, provided that if the Independent Advisor determines that there is an industry accepted reference rate as being most comparable to the Reference Interest Rate, then the Independent Advisor will use such reference rate as successor reference rate (the “**Successor Reference Rate**”) and determine which screen page or source shall be used in connection with such Successor Reference Rate (the “**Successor Screen Page**”). Provided that such Successor Screen Page is accessible to the Calculation Agent, any reference to the Screen Page herein shall from the date of the determination of the Successor Reference Rate on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply mutatis mutandis. The Independent Advisor will notify the Issuer and the Calculation Agent at the latest 10 days prior to the Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] about such determinations. The Issuer shall thereafter inform the Holders of the Notes in accordance with § 14.

Further and in addition to any replacement of the Reference Interest Rate with a Successor Reference Interest Rate in accordance with the above provisions I) or II) the Issuer (acting in good faith and in a commercially reasonable manner) may specify (i) an interest adjustment factor or fraction or spread (to be added or subtracted) which shall be applied to the Successor Reference Interest Rate, for the purpose of achieving a result which is consistent with the economic substance of the Reference Interest Rate before the Discontinuation Event occurred, and (ii) any further changes necessary for determining the [Rate of Interest and calculating the Interest Amount][**determine other rate/amount**] in order to follow market practice in relation to the Successor Reference Interest Rate [(such as the Day Count Fraction, the Business Day Convention, Business Days, the Interest Determination Dates, the method of calculating the Interest Amount)]. Thereafter, the Issuer shall inform the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14 (other than in the case set out in paragraph I) above).

- (III) If the source of the successor rate for the Reference Interest Rate determined in accordance with the above provision I) or the Successor Screen Page determined in accordance with the above provision II) is not accessible to the Calculation Agent or if the Independent Advisor fails to determine the Successor Reference Rate at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and to notify the Calculation Agent or in the event that the Issuer, having used reasonable endeavours, fails to appoint an Independent Advisor or the period to determine a Successor Reference Interest Rate according to the provisions above was not sufficient, the Issuer will decide in its reasonable discretion (*billiges Ermessen*) and not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] relating to the [next succeeding Interest Period] [**determine other event / day**] (the “**Procedures Determination Date**”):
  - (a) that the Reference Interest Rate shall be the offered quotation for the Reference Interest Rate which appeared on the Screen Page, as described above, on the last day preceding the relevant [Interest



Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]** on which such quotations were offered and shall thereafter inform the Holders of the Notes in accordance with § 14[.]; or

- (b) redeem the Notes in whole but not in part, by giving not less than 20 days' notice in accordance with § 14, at the [Final Redemption Amount][Early Redemption Amount] (as defined below pursuant to § 6), together with interest (if any) accrued to (but excluding) the date fixed for such early redemption.

Such notice of redemption shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) the date determined for redemption, which shall be the second [Coupon Date][Interest Payment Date] following the Procedures Determination Date; and
- (iii) the [Final][Early] Redemption Amount.

If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date] **[determine other day]** prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]]

**“Independent Advisor”** means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense.]

*[If the Reference Rate is a Swap Rate insert:*

**“Reference Swap Rate”** is “[insert number of years/months] [year][months] [insert relevant currency] Swap Rate and means [●] / insert definition /Screen Page].]

If the [[insert number of years/months] [year][month] [insert relevant currency] Swap Rate] [insert other swap rate] is not displayed on the Screen Page on the Interest Adjustment Determination Date, the [[insert number of years/months] [year][month] [insert relevant currency] Swap Rate] [insert other swap rate] is equal to the Reset Reference Bank Rate (as defined below) on that Interest Adjustment Determination Date.

**“Reset Reference Bank Rate”** means the percentage rate determined by the Calculation Agent on the basis of the [[insert number of years/months] [year][month] Swap Rate] [insert other swap rate] Quotations (as defined below) provided by [five] [insert other number] leading swap dealers in the interbank market (the **“Reset Reference Banks”**) at the request of the Issuer to the Calculation Agent at approximately [insert time] ([insert time zone]), on the Interest Adjustment Determination Date. If at least [three] [insert other number] quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If the Reset Reference Bank Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the applicable Reset Reference Bank Rate shall be equal to the last [[insert number of years/months] [year][month] Swap Rate] [insert other swap rate] available on the Screen Page as determined by the Calculation Agent.

**“[[insert number of years/months] [year][month] Swap Rate] [insert other swap rate] Quotation”** means the arithmetic mean of the bid and offered rates for the fixed leg (calculated on [insert day count fraction]) of a [insert reference swap rate] which (i) has a term of [insert number of [years][months]] commencing on the Interest Adjustment Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledgement dealer of good credit in the swap market and (iii) has a floating interest based on the [insert reference interest rate] (calculated on an [insert day count fraction] basis).]

**[insert other definitions for Quotation]**

[Reference Swap Rate][insert other definition for quotation] replacement in case of a Discontinuation Event. If the Issuer determines in its reasonable discretion (i) it becomes unlawful for the Issuer or the Calculation Agent to use the [Reference Swap Rate][insert other definition for quotation], or (ii) the administrator of the [Reference Swap

Rate][insert other definition for quotation] ceases to calculate and publish the [Reference Swap Rate][insert other definition for quotation] permanently or for an indefinite period of time, or (iii) the administrator of the [Reference Swap Rate][insert other definition for quotation] becomes insolvent or an insolvency, a bankruptcy, restructuring or similar proceeding (affecting the administrator) is commenced by the administrator or its supervisory or regulatory authority, or (iv) the [Reference Swap Rate][insert other definition for quotation] is otherwise being discontinued or otherwise ceases to be provided (each of the events in (i) through (iv) a “**Discontinuation Event**”), the [Reference Swap Rate][insert other definition for quotation] shall be replaced, on [the] [each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day(s)**], by a rate determined or procured, as the case may be, by the Issuer (the “**Successor Quotation Rate**”) according to the following paragraphs in the order of (I)-(III):

- (I) The [Reference Swap Rate][insert other definition for quotation] shall be replaced with the reference rate, which is determined by any applicable law or regulation or announced by the administrator of the [Reference Swap Rate][insert other definition for quotation], the competent central bank or a regulatory or supervisory authority as the successor rate for the [Reference Swap Rate][insert other definition for quotation] and the source of which is accessible to the Calculation Agent. The Issuer shall thereafter inform the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14. [If, on any previous [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**], the **Successor Quotation Rate** was also determined in accordance with the provisions of paragraph I, no [other] publication obligations will apply for the Issuer in connection with such **Successor Quotation Rate** or any adjustments or changes made in relation thereto or relating to the determination of the [Rate of Interest] [or] [Interest Amount][**determine other rate or amount**] as set out below; ]
- (II) An Independent Advisor will in its reasonable discretion (*billiges Ermessen*) choose a successor reference rate that is most comparable to the [Reference Swap Rate][insert other definition for quotation], provided that if the Independent Advisor determines that there is an industry accepted reference rate as being most comparable to the [Reference Swap Rate][insert other definition for quotation], then the Independent Advisor will use such reference rate as successor reference rate (the “**Successor Reference Rate**”) and determine which screen page or source shall be used in connection with such Successor Reference Rate (the “**Successor Screen Page**”). Provided that such Successor Screen Page is accessible to the Calculation Agent, any reference to the Screen Page herein shall from the date of the determination of the Successor Reference Rate on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply mutatis mutandis. The Independent Advisor will notify the Issuer and the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] about such determinations. The Issuer shall thereafter inform the Holders of the Notes in accordance with § 14.

Further and in addition to any replacement of the [Reference Swap Rate][insert other definition for quotation] with a Successor Quotation Rate in accordance with the above provisions I) or II) the Issuer (acting in good faith and in a commercially reasonable manner) may specify (i) an interest adjustment factor or fraction or spread (to be added or subtracted) which shall be applied to the Successor Quotation Rate, for the purpose of achieving a result which is consistent with the economic substance of the [Reference Swap Rate][insert other definition for quotation] before the Discontinuation Event occurred, and (ii) any further changes necessary for determining the [Rate of Interest and calculating the Interest Amount][**determine other rate/amount**] in order to follow market practice in relation to the **Successor Quotation Rate** [(such as the Day Count Fraction, the Business Day Convention, Business Days, the Interest Determination Dates, the method of calculating the Interest Amount)]. Thereafter, the Issuer shall inform the Calculation Agent at least 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14 (other than in the case set out in paragraph I) above).

- (III) If the source of the successor rate for the [Reference Swap Rate][insert other definition for quotation] determined in accordance with the above provision I) or the Successor Screen Page determined in accordance with the above provision II) is not accessible to the Calculation Agent or if the Independent Advisor fails to determine the Successor Reference Rate at the latest 10 days prior to the [Interest

Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and to notify the Calculation Agent or in the event that the Issuer, having used reasonable endeavours, fails to appoint an Independent Advisor or the period to determine a **Successor Quotation Rate** according to the provisions above was not sufficient, the Issuer will decide in its reasonable discretion (*billiges Ermessen*) and not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] relating to the [next succeeding Interest Period][**determine other event / day**] (the “**Procedures Determination Date**”):

- (a) that the [Reference Swap Rate][**insert other definition for quotation**] shall be such [Reference Swap Rate][**insert other definition for quotation**] which appeared on the Screen Page, as described above, on the last day preceding the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] on which such quotations were offered and shall thereafter inform the Holders of the Notes in accordance with § 14[.] [; or
- (b) redeem the Notes in whole but not in part, by giving not less than 20 days’ notice in accordance with § 14, at the [Final Redemption Amount][Early Redemption Amount] (as defined below pursuant to § 6), together with interest (if any) accrued to (but excluding) the date fixed for such early redemption.

Such notice of redemption shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) the date determined for redemption, which shall be the second [Coupon Date][Interest Payment Date] following the Procedures Determination Date; and
- (iii) the [Final][Early] Redemption Amount.

If the Issuer elects to redeem the Notes, the [Rate of Interest][[Reference Swap Rate][**insert other definition for quotation**]] applicable from the last [Coupon Date] [Interest Payment Date] [**determine other day**] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][[Reference Swap Rate][**insert other definition for quotation**]] applicable to the immediately preceding Interest Period.]]

“**Independent Advisor**” means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense. ]

*[In the case that the Reference-Rate is only a trigger of an event, please delete the following paragraph:* If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date] [**determine other day**] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]]]

“**Independent Advisor**” means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense.]

“**Interest Period**” means the period for which interest is calculated and paid.

## §2 Currency, Denomination, Issue Date(s), Form, Custody

- (1) *Currency – Denomination - Issue Date[s]*. This Series [**insert number of the Series and name**], [**insert Tranche**] of Notes (the “**Notes**”) of Raiffeisen Bank S.A. (the “**Issuer**”) is being issued [on [insert Issue Date] (the “**Issue Date**”)] [from [insert Initial Issue Date] (the “**Initial Issue Date**”) within an open issuance period (“**Open Issuance Period**”)] in [insert Specified Currency] (the “**Specified Currency**”) in the aggregate principal amount of [up to][**aggregate principal amount**] (in words: [**aggregate principal**

**amount in words**]) in the denomination of **[insert Specified Denomination1]** (the “**Specified Denomination**”).

(2) Form.

- (a) The Notes are being issued in bearer form.

[In the case of Notes which are represented by a Permanent Global Note governed by German law, insert:

- (b) *Permanent Global Note governed by German law.* The Notes are represented by a permanent global note (the “**Permanent Global Note**” or the “**Global Note**”) without coupons. The Permanent Global Note shall be signed by duly authorised signatories of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.

*[In the case of Notes which are initially represented by a Temporary Global Note governed by German law to be exchanged for a Permanent Global Note, insert:*

- (b) Temporary Global Note – Exchange – Permanent Global Note governed by German law.

- (i) The Notes are initially represented by a temporary global note (the “**Temporary Global Note**”) without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the “**Permanent Global Note**” and, together with the Temporary Global Note, the “**Global Notes**” and, each a “**Global Note**”) without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by two duly authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.

- (ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the “**Exchange Date**”) not later than 180 days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40<sup>th</sup> day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to subparagraph (b) of this § 2(2). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, “**United States**” means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U. S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

- (3) *Custody – Clearing System.* The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

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<sup>1</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes.

**[In the case that the Global Note is an NGN, insert:** The Notes are issued in New Global Note (“NGN”) form and are kept in custody by a common safekeeper on behalf of both ICSDs.]

**[In the case that the Global Note is a CGN, insert:** The Notes are issued in Classical Global Note (“CGN”) form and are kept in custody by a common depository on behalf of both ICSDs.]

**[In the case of Euroclear and CBL and if the Global Note is a NGN insert:** The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer’s interest in the Notes) shall be conclusive evidence of the aggregate principal amount of the Notes represented by the Global Note and, for these purposes, a statement issued by ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time. For technical procedure of the ICSDs, in the case of the exercise of a Call Option relating to a partial redemption the outstanding redemption amount will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the discretion of the ICSDs.

On any redemption in respect of, or purchase by or on behalf of the Issuer and cancellation of, any of the Notes represented by this [(Temporary)] [/](Permanent)] Global Note details of such redemption or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in the records of the ICSDs.]

### §3 Status

*Status Ordinary Senior Notes.* The obligations under the Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of normal insolvency proceedings (*bankruptcy proceedings*) (*faliment*) or liquidation (*lichidare*) of the Issuer *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated instruments or obligations of the Issuer except for any instruments or obligations preferred or subordinated by law.

### §4 Interest

**[In case of Fixed Rate Notes insert:**

(1) *Rate of Interest, Interest Period[s].*

(a) The Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) [**insert date**] (the “**Interest Commencement Date**”) to (but excluding) the [*in case of no adjustment of Interest Period insert:* [last] Coupon Date] [*in case of an adjustment of Interest Period insert:* Maturity Date (as defined in § 6(1))].

[An][The] “**Interest Period**” is respectively from (and including) the Interest Commencement Date to (but excluding) the [*in case of no adjustment of Interest Period insert:* [first] Coupon Date] [*in case of an adjustment of Interest Period insert:* [first] Interest Payment Date][Maturity Date] [and thereafter from (and including) each [*in case of no adjustment of Interest Period insert:* Coupon Date] [*in case of an adjustment of Interest Period insert:* Interest Payment Date] to (but each excluding) [*in case of no adjustment of Interest Period insert:* the next following Coupon Date or last Coupon Date] [*in case of an adjustment of Interest Period insert:* next following Interest Payment Date or the Maturity Date].]

The Interest Period[s] will be [un]adjusted.

(b) The rate of interest is [**insert Rate of Interest**] per cent [*per annum*] [**insert other period**].

(2) *Coupon Date[s], Interest Payment Date[s].* Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on [**insert Coupon Date(s)**] in each year (each such date a

“**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on **[insert Coupon Date]** (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on **[insert first Coupon Date]**. The last Coupon Date shall be on **[insert last Coupon Date]**.]

Interest on the Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on a Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

**[In the case of [short] [long] Interest Periods insert:** [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: [●] [last Coupon Date is: [●].]

- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

**[In case of Floating Rate Notes insert:**

- (4) Interest Period[s], Coupon Date[s], Interest Payment Date[s].
- (a) The Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) **[insert Interest Commencement Date]** (the “**Interest Commencement Date**”) to (but excluding) the *[in case of no adjustment of Interest Period insert:* [last] Coupon Date] *[in case of an adjustment of Interest Period insert:* Maturity Date (as defined in § 6(1)).

[An][The] “**Interest Period**” is [respectively] from (and including) the Interest Commencement Date to (but excluding) the *[in case of no adjustment of Interest Period insert:* [first] Coupon Date] *[in case of an adjustment of Interest Period insert:* [first] Interest Payment Date] [Maturity Date] [and thereafter from (and including) each *[in case of no adjustment of Interest Period insert:* Coupon Date] *[in case of an adjustment of Interest Period insert:* Interest Payment Date] to (but each excluding) *[in case of no adjustment of Interest Period insert:* the next following Coupon Date or last Coupon Date] *[in case of an adjustment of Interest Period insert:* the next following Interest Payment Date or the Maturity Date].]

The Interest Period[s] will be [un]adjusted.

- (b) *Coupon Date[s].* Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on **[insert Coupon Date(s)]** [in each year] (each such date a “**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on **[insert Coupon Date]** (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on **[insert first Coupon Date]**. The last Coupon Date shall be on **[insert last Coupon Date]**.]

- (c) *Interest Payment Date[s].* Interest on the Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on the Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5 [(4)][(5)][(6)] (Business Day Convention).

**[In the case of [short] [long] Interest Period insert:** [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: **[insert first Coupon Date]** [(“**First Coupon Date**”))] [last Coupon Date is: **[insert last Coupon Date]** [(“**Last Coupon Date**”))].]

*[Options for various Reference Rates regarding the rate of interest:*

*[In case the rate of interest shall be calculated on the basis of a Reference Interest Rate, insert:*

- (2) *Rate of Interest.* The rate of interest (the “**Rate of Interest**”) for [the][each] Interest Period will, except as provided below, be

*[For EURIBOR or another Reference Interest Rate other than a compounded daily overnight reference rate, insert:*

the Reference Interest Rate [, however, should such Reference Interest Rate be below 0.00 per cent p.a., a Reference Interest Rate of 0.00 per cent p.a. will be applied,] *[in case of multiplication with a factor, insert:.*, multiplied by the [positive][negative] Factor [and subsequently]] *[in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate *[per annum] [insert other time period].]*

*[For Compounded Daily €STR or another compounded daily overnight reference rate, insert:*

the Compounded Daily *[insert relevant overnight reference rate]* calculated on a compounded basis for the relevant Interest Period in accordance with the formula below on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] *[determine other day]* (as defined below) [,whereby a Compounded Daily *[insert relevant overnight reference rate]* of 0.00 per cent p.a. will be applied, should such Compounded Daily *[insert relevant overnight reference rate]* be below 0.00 per cent p.a.,] *[in case of multiplication with a factor, insert:.*, multiplied by the [positive][negative] Factor [and subsequently]] *[in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate *[per annum] [insert other time period].]*

The Compounded Daily *[insert relevant overnight reference rate]* means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] *[determine other day]* as follows, and the resulting percentage will be rounded, if necessary, to the [fifth] [●] decimal place, with [0.000005] [●]% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

“**Applicable Period**” means *[if the Observation Method is lag:* the Interest Period]*[if the Observation Method is observation shift:* the Observation Period].

“**BD**” means a [other compounded daily overnight reference rate-][€STR-]Business Day.

“**D**” means *[insert the relevant number of days]* and represents the number of days in the year used for the calculation of the Rate of Interest.

“**d**” means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

“**d<sub>0</sub>**” means, for the relevant Applicable Period, the number of [other compounded daily overnight reference rate-][€STR-]Business Days in such Applicable Period.

“**i**” means for the relevant Applicable Period, a series of whole numbers from one to “**d<sub>0</sub>**”, each representing the relevant [other compounded daily overnight reference rate-][€STR-]Business Day in chronological order from, and including, the first [other compounded daily overnight reference rate-]€STR-Business Day in such Applicable Period.

“**n<sub>i</sub>**” for any Business Day “**i**” in the Applicable Period, means the number of calendar days from, and including, such [other compounded daily overnight reference rate-][€STR-]Business Day “**i**” up to but excluding the following [other compounded daily overnight reference rate-][€STR-]Business Day.

“**Observation Method**” means [lag][observation shift].

“**Observation Period**” means, in respect of the relevant Interest Period, the period from, and including, the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to such earlier date, if any, on which the Notes become due and payable).

“**p**” means, for any Applicable Period, [insert number] [other compounded daily overnight reference rate-][€STR-] Business Days (provided that “**p**” shall not be less than five [other compounded daily overnight reference rate-][€STR-] Business Days without the prior written agreement of the Calculation Agent or, if no such number is specified five [other compounded daily overnight reference rate-][€STR-]Business Days).

“**r**” means:

[where “[insert other compounded daily overnight reference rate]” is specified as the relevant overnight reference rate in respect of any [other compounded daily overnight reference rate]-Business Day, the [other compounded daily overnight reference rate] in respect of such [other compounded daily overnight reference rate]-Business Day.]

[where “**€STR**” is specified as the relevant overnight reference rate, in respect of any €STR-Business Day, the €STR in respect of such €STR-Business Day.]

“**r<sub>(i-pBD)</sub>**” means the applicable Reference Rate as set out in the definition of “**r**” above for, [*where lag is specified as the Observation Method*: the [other compounded daily overnight reference rate-][€STR-]Business Day (being a [other compounded daily overnight reference rate-][€STR-]Business Day falling in the relevant Observation Period) falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “**i**”].[*otherwise*: the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “**i**”].]

*[In the case of [short] [long] first Interest Period and if interpolation is applicable, insert:*

(This shall not apply for the Interest Period which ends with the First Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.))

*[In the case of [short] [long] last Interest Period and if interpolation is applicable, insert:*

(This shall not apply for the Interest Period which ends with the Last Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.))

“**Factor**” means a positive or negative number and has been determined [for the [first] [●] Interest Period] as [+][-] [insert number] [insert further].]

“**Margin**” corresponds to a surcharge or disagio in percentage points and has been determined [for the [first] [●] Interest Period] as [●] [for the [●] Interest Period] as [●] [insert further].]



[(3)][(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the “Interest Amount”) payable on the Notes for the relevant Interest Period. The relevant Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to [the outstanding aggregate principal amount of the Notes] [the Specified Denomination] and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(•)] Notification of Rate of Interest and Interest Amount.

[In case of interest determination in advance, insert:

The Calculation Agent will cause the Rate of Interest[, each Interest Amount] for each Interest Period, [and] each Interest Period [and the relevant Interest Payment Date]

- (i) to be notified to the Issuer[, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than [the second] [•] Business Day prior to the commencement of the relevant Interest Period] [first day of the relevant Interest Period] [insert other time], and
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Notes are listed will be made to the extent provided for by such rules.]

Each Interest Amount and each Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer [, the Clearing System,] [any stock exchange on which the Notes are then listed], [any Paying Agent] and to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).]

***[In case of interest determination in arrears, insert:***

The Calculation Agent will cause the Rate of Interest[, each Interest Amount for each Interest Period,] [and] each Interest Period [and the relevant Interest Payment Date]

- (i) [to be notified to the Issuer, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than the [[•] Business Day prior to the expiry of the relevant Interest Period] [[the second] [•] Business Day prior to the [Coupon Date] [Interest Payment Date] of the [relevant] Interest Period] [insert other time], and]
- [(i) to be notified to the Issuer [, the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] on the day which is two (2) Business Days after the end of the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [specify other date], and]
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Notes are listed will be made to the extent provided for by such rules.]

***[In case of Zero Coupon Notes, insert:***

- (1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes. The Amortisation Yield[s] [is][are] **[insert Amortisation Yield]**

**[In the case of different Amortisation Yields for individual Interest Periods, set forth applicable provisions (including fallback provisions) herein]**

**[Continuation of general terms and conditions for interest:**

**[(•)] *Accrual of Interest and Default Interest.*** If the Issuer should fail to redeem the Notes when due, interest shall accrue on the [principal amount][redemption amount] of the Notes from (and including) the due date to (but excluding) the date of actual redemption of the Notes at the default rate of interest established by law.<sup>1</sup>

**[(•)] *Day Count Fraction.*** “**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (the “**Calculation Period**”):

**[If Actual/Actual (ICMA Rule 251) is applicable, insert:**

The Calculation Period will be calculated on the following basis:

- (a) if the Calculation Period is equal to or shorter than the Determination Period (as defined below) during which it falls (including in the case of short coupons), the Calculation Period will be the number of days in the Calculation Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
- (b) if the Calculation Period is longer than one Determination Period (long coupon), the Calculation Period will be the sum of:
  - (i) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
  - (ii) the number of days in such Calculation Period falling in the next Determination Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year].]

Where:

“**Determination Period**” means the period from and including **[insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)]** in any year to but excluding the next **[insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)]** (**Actual/Actual (ICMA Rule 251)**).]

**[If Actual/Actual (ISDA), insert:**

the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365) (**Actual/Actual (ISDA)**).]

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<sup>1</sup> According to paragraphs 288(1) and 247 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”), the default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank semi-annually.

**[If Actual/365 (Fixed), insert:**

the actual number of days in the Calculation Period divided by 365. (**Actual/365 (Fixed)**).]

**[If Actual/360, insert:**

the actual number of days in the Calculation Period divided by 360 (**Actual/360**).]

**[If 30/360 or Bond Basis, insert:**

the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month) (**30/360 or Bond Basis**).]

**[If 30E/360 or Eurobond Basis, insert:**

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month) (**30E/360 or Eurobond Basis**).]

**[If 360/360, insert:**

the number of days in the Calculation Period divided by 360, calculated on the basis of a year of 360 days with twelve 30-day months. (**360/360**).]

## **§5 Payments**

- (1) (a) *Payment of Principal.* Payment of principal, and any additional amounts, in respect of the Notes shall be made[, subject to subparagraph (2) below,] to [the Clearing System or to its order] [the Paying Agent] for credit to the accounts of the relevant account holders [of the Clearing System] [upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Notes at the time of payment at the specified office of the Fiscal Agent.

**[In the case of Notes other than Zero Coupon Notes, insert:**

- (b) *Payment of Interest.* Payment of interest on the Notes and any additional amounts shall be made, [subject to subparagraph (2), to the Clearing System or to its order] [Paying Agent] for credit to the relevant account holders [of the Clearing System].

**[In the case of interest payable on a Temporary Global Note, insert:** Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2) to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 2(2)(b).]

- (2) *[Payment Reference Date.* Payments of amounts due in respect of the Notes shall be made to the Holders shown in the holders' registry as provided by the Clearing System, on the payment reference date (the "**Payment Reference Date**") which is to be determined as follows:
- (a) regarding payments due in case of acceleration, the date when any notice declaring the Notes due and payable is given by a Holder in accordance with § 10 and
- (b) in relation to any other payments on the Notes, at the close of business on the 15th calendar day before the due date for payment thereof (including the Maturity Date). Any person who acquires a

Note between a Payment Reference Date and the corresponding due date for a payment of interest shall not be entitled to receive payment of interest on the Notes for the corresponding interest due date notwithstanding that such person is shown in the holders' registry on the relevant interest due date as the Holder of the Note.

No Holder may transfer its Note(s) during the period from and including [in case of Notes admitted to trading on the spot regulated market or an alternative trading system operated by Bursa de Valori București S.A. insert: the second Business Day prior to] the Payment Reference Date immediately preceding the Maturity Date up to and including the Maturity Date.]

- (2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the freely negotiable and convertible currency which on the respective due date is the currency of the country of the Specified Currency.

**[In the case of Notes not denominated in Euro, insert:**

If the Issuer determines that the amount payable on the respective Payment Business Day is not available to it in such freely negotiable and convertible funds for reasons beyond its control or that the Specified Currency or any successor currency to it provided for by law (the “**Successor Currency**”) is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making such payment in Euro on, or as soon as reasonably practicable after, the respective Payment Business Day on the basis of the Applicable Exchange Rate. Holders shall not be entitled to [further] interest or any other payment as a result thereof. The “**Applicable Exchange Rate**” shall be, (i) if available, the Euro foreign exchange reference rate for the Specified Currency or the Successor Currency determined and published by the European Central Bank for the most recent practicable date falling within a reasonable period (as determined by the Issuer in its equitable discretion) prior to the day on which the payment is made or, (ii) if such rate is not available, the foreign exchange rate of the Specified Currency or the Successor Currency against the Euro as determined by the Issuer in its equitable discretion.]

- (3) *[Discharge.* The Issuer shall be discharged by payment to [, or to the order of, the Clearing System] [the Paying Agent] .]

- [(3)][(4)] *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Business Day, then the payability and actual payment date depend on the Business Day Convention as applicable according to subparagraph [(4)][(5)]. The Holder shall not be entitled to payment until the next such day in the relevant place. Irrespective of the provisions regarding the Interest Period, the Holder shall not be entitled to further interest or other payment in respect of such delay.

**[Insert other Payment Business Day:** Payment Business Day is [define Payment Business Day]]

[Business Day in this § 5 means any day (other than a Saturday or a Sunday) on which [the Clearing System] [if the Specified Currency is EUR or if TARGET is needed for other reasons insert: [as well as] the Trans European Automated Real time Gross settlement Express Transfer System (TARGET2) (“**TARGET**”)] [is][are] operational][and] [commercial banks and foreign exchange markets settle payments in [insert all relevant financial centres].]

**[Continuation of general terms and conditions :]**

- [(4)][(5)] *Business Day Convention.* If the date for payment of any amount in respect of any Note would fall on a day which is not a Business Day, it shall be

**[if Following Business Day Convention, insert:** postponed to the next day which is a Business Day.

**[if Modified Following Business Day Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

**[if Preceding Business Day Convention, insert:** the immediately preceding Business Day.]

**[if FRN Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[[insert number] months] [insert other specified periods]** after the preceding applicable Interest Payment Date.]

## **§6 Redemption**

- (1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on **[in case of a specified Maturity Date insert such Maturity Date] [in case of a Redemption Month insert:** the [Floating] Interest Payment Date falling in **[insert Redemption Month and Redemption Year]]** (the “Maturity Date”).

- (2) Final Redemption Amount:

**[If the Notes are redeemed on the Maturity Date insert:**

The Final Redemption Amount in respect of each Note shall be equal to its principal amount.]

**[If the Notes are redeemed on the Maturity Date at an amount other than the principal amount insert:**

The Final Redemption Amount in respect of each Note shall be **[insert currency] [insert amount greater than or equal to the principal amount]** for each Note.]

**[If the Notes are subject to Early Redemption for reasons of taxation insert:**

- (3) Early Redemption for Reasons of Taxation.

- (a) The Notes may be declared repayable, in whole but not in part, at the option of the Issuer, upon not more than 60 days’ nor less than 30 days’ prior notice of redemption given to [the [Fiscal Agent][Principal Paying Agent]] and, pursuant to § [14] (Notices / [No] Stock Exchange Listing) to the Holders, at their Early Redemption Amount (as defined below) **[in case of Notes other than Zero Coupon Notes insert:** together with interest (if any) accrued to the date fixed for redemption (but excluding)] if as a result of any change in, or amendment to, the laws or regulations of Romania or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations (including relevant court decision), which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, the Issuer is required to pay additional amounts **[in case of Notes other than Zero Coupon Notes insert:** on the immediately succeeding [Coupon Date][Floating] [Fixed] Interest Payment Date (as defined in § 4(2))] **[in case of Zero Coupon Notes insert:** at maturity or upon the sale or exchange of any Note], and this obligation cannot be avoided by the use of reasonable measures available to the Issuer.

- (b) However, such Early Redemption may not occur (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such additional amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts does not remain in effect. **[In case of Floating Rate Notes insert:** The date fixed for Early Redemption must be [a [Floating] Coupon Date] [Fixed Coupon Date] [[an] [a Fixed] Interest Payment Date][a Floating Interest Payment Date].]

- (c) Any such notice for Early Redemption shall be given to [the [Fiscal Agent][Principal Paying Agent]] and, pursuant to § [14] (Notices / [No] Stock Exchange Listing) to the Holders. It shall be irrevocable and must specify the date fixed for redemption and the Early Redemption Amount.]

**[If Notes are subject to Early Redemption at the Option of the Issuer:**

**[[[•]]]** Early Redemption at the Option of the Issuer.

- (a) The Issuer may, upon notice of Early Redemption given pursuant to sub-paragraph [(•)] redeem the Notes in whole or in part, upon giving not more than [60][(•)] [Business Days'] [days'] nor less than [30][(•)] [Business Days'] days' notice in accordance with § 6 [(1)], on the Call Redemption Date[s] at the [Call Redemption Amount[s]] set forth below together with accrued interest, if any, to (but excluding) the [respective] Call Redemption Date.
  - (b) ***[If Notes are subject to Early Redemption at the Option of the Holder insert:*** The Issuer is not entitled to exercise such option in respect of any Note which is subject to the prior exercise of the Holder's option to redeem such Note pursuant to subparagraph [(•)] of this § 6.]
  - (c) [Call Redemption Date[s]] [is] [are] **[insert Call Redemption Date[s]]**
  - (d) Call Redemption Amount[s] [is] [are] **[insert Call Redemption Amount[s]]** [for the following Call Redemption Date[s] **[insert Call Redemption Date[s]]**].
- Such a redemption has to be made [at least] [at most] in the amount of [(•)] per cent of the principal amount of the Notes.
- (e) ***[In case of a minimum Call Redemption Amount or an increased Call Redemption Amount insert:*** The Notes have to be redeemed at [their principal amount of **[insert amount]**] [that is at least equal to **[insert minimum Call Redemption Amount]**][**[insert increased Call Redemption Amount]**] per Note.]
  - (f) [If the Notes are redeemed early only in part, the Notes to be redeemed are determined according to the rules of the relevant Clearing System.]

[(•)] *Notice of Early Redemption*

Any notice of Early Redemption of the Notes shall be given by the Issuer to the [Principal Paying Agent [Fiscal Agent] and] pursuant to § 14 (Notices / [No] Stock Exchange Listing) to the Holders and shall specify:

- (a) the indication of the Series of Notes that is to be redeemed;
- (b) a statement as to whether the Series is redeemed in whole or in part and in the latter case [the aggregate principal amount][the total number of pieces] of the Notes to be redeemed;
- (c) the [Call] [Early] Redemption Date or, if applicable and as the case may be the relevant Call Redemption Date; [and]
- (d) the Early Redemption Amount at which the Notes are redeemed or - if applicable – the Call Redemption Amount at which the Notes are redeemed.]

**[If Notes are subject to Early Redemption at the Option of the Holder insert:**

[(•)] *Early Redemption at the Option of the Holder*

- (a) Each Holder has the right to claim an Early Redemption of the Notes in whole or in part on the Optional Early Redemption Date[s] at the Optional Early Redemption [Amount[s]] pursuant to sub-paragraph (d), together with any interest accrued until the [relevant] Optional Early Redemption Date (excluding).
- (b) The Holder is not entitled to exercise such option in respect of any Note which is subject to the prior exercise of the Issuer's option to redeem such Note pursuant to subparagraph [(•)] of this § 6.

After a legally effective exercise of the relevant option by the Holder pursuant to sub-paragraph (e), the Issuer has to redeem the Notes on the Optional Early Redemption Date[s] at the Optional

Early Redemption [Amount[s]], as described below, together with any interest accrued until the Optional Early Redemption Date (excluding).

- (c) *Optional Early Redemption Date[s]*: Optional Early Redemption Date[s] [is][are] **[insert Optional Early Redemption Date[s]]**
- (d) *Optional Early Redemption Amount*: [Optional Early Redemption Amount on **[insert Optional Early Redemption Date]** is **[insert Optional Early Redemption Amount]**]. [Optional Early Redemption Amounts are as follows: [on **[insert Optional early Redemption Dates]**][**insert Optional Early Redemption Amounts]**]
- (e) To exercise this option, the Holder has to notify the [Fiscal Agent [Principal Paying Agent] about the exercise of the option by way of written notification (“**Exercise Notification**”) not less than **[insert minimum notification period of at least 5 Business Days]** and not more than **[insert maximum notification period]** days after the day on which the redemption shall occur according to the Exercise Notification. If the Exercise Notification is received on the last day of the notice period before the Optional Early Redemption Date after 5:00 p.m. Bucharest time, the exercise of the option is not effective. The Exercise Notification has to specify: (i) [the aggregate principal amount][the total number of pieces] of the Notes regarding which the option is exercised [and][.] (ii) the security identification numbers of such Notes (if assigned). The form in the German or the English language available at the offices of the [Fiscal Agent][Principal Paying Agent] and the Paying Agent[s] may be used for the purpose of the Exercise Notification. The exercise of the option is irrevocable. The Notes regarding which the option was exercised, will only be redeemed against delivery of the relevant Notes to the Issuer or its order.]

**[If Notes are not subject to Early Redemption at the Option of the Holder insert:**

**[([•])] No early Redemption at the Option of a Holder.** The Holders do not have a right to demand the redemption of the Notes.]

**[In case of Notes other than Zero Coupon Notes insert:**

**[([•])] Early Redemption Amount] [/Termination Amount].**

- (a) For the purpose of [§ 1 (Definitions),] this § 6(3) and § 10 (Events of Default) the Early Redemption Amount or, as the case may be, the Termination Amount of a Note is equal to the Final Redemption Amount pursuant to this § 6(2))**[insert other amount/rate].]**

**[In case of Zero Coupon Notes insert:**

**[([•])] Early Redemption Amount / Termination Amount.**

- (a) For the purpose of this § 6(3) and § 10 (Events of Default) the Early Redemption Amount or, as the case may be, the Termination Amount of a Note is equal to the Amortised Face Amount pursuant to this § 6([•]).
- (b) **[In the case of accrued interest being added:** The amortised face amount (“**Amortised Face Amount**”) of a Note shall be an amount equal to the sum of:
  - (i) **[Reference Price]** (the “**Reference Price**”), and
  - (ii) the **product** of the Amortisation Yield being **[Amortisation Yield]** (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Notes become due and payable].

**[In the case of unaccrued interest being deducted:** The amortised face amount (“**Amortised Face Amount**”) of a Note shall be the principal amount thereof adjusted for interest from (and including) the Maturity Date to (but excluding) the date of final repayment by the Amortisation Yield, being

**[insert Amortisation Yield]**. Such calculation shall be made on the assumption of an annual capitalisation of accrued interest.]

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year (the “**Calculation Period**”) shall be made on the basis of the Day Count Fraction (as defined in § 4).

- (c) If the Issuer fails to pay the Early Redemption Amount when due, the Amortised Face Amount of a Note shall be calculated as provided herein, except that references in subparagraph (b)(ii) above to the date fixed for redemption or the date on which such Note becomes due and repayable shall refer to the earlier of (i) the date on which upon due presentation and surrender of the relevant Note (if required), payment is made, and (ii) the fourteenth day after notice has been given by the Fiscal Agent in accordance with § 14 (Notices / [No] Stock Exchange Listing) that the funds required for redemption have been provided to the Fiscal Agent.]

**[(•)] Rounding of Redemption Amounts:** Redemption Amounts are rounded to **[insert number]** decimals.

## **§7 Agents**

- (1) *Appointment; Specified Offices.* The initial agents (the “**Agents**”) and their respective specified offices are:

“**Fiscal Agent**”:

[The Bank of New York Mellon, London Branch]

**[other/further Fiscal Agent]**

“**[Principal] Paying Agent**”:

[The Bank of New York Mellon, London Branch]

**[other/additional [Principal] Paying Agent/specified office(s)]**

**["Calculation Agent”:**

[The Fiscal Agent shall also act as Calculation Agent.]

[Calculation Agent is: **[Insert name and address of Calculation Agent]]]**

[Other Agents: **[insert other Agents]]**

Any Agent named above reserves the right at any time to change its respective specified [office to some other [office].

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Agent named above and to appoint another Fiscal Agent/Paying Agent or additional or other Agents in accordance with all applicable regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days’ prior notice thereof shall have been given to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).
- (3) *[Agents of the Issuer.* The Agents named above act solely as agent of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.]
- [(3)][(4)] Determinations Binding.** All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Conditions by any Agent shall (in the absence of manifest error) be binding on the Issuer and all other Agents/agents and the Holders.



## §8 Taxation

- (1) *Taxation.* All amounts payable in respect of the interest under the Notes will be made by the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by Romania or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

If such withholding or deduction is required by law, the Issuer shall withhold or deduct from amounts payable in respect of the Notes to a Holder sufficient funds for the payment of any tax that it is required to withhold or deduct under Romanian law and shall not pay such additional amounts to the Holder in respect of such withholding or deduction.

At least 5 Business Days prior to the relevant interest payment date, the Issuer will receive from the Holders through relevant ICSD(s) and/or intermediaries and custodians via the Fiscal Agent information as regards the identity and residency for tax purposes of any Holder. On the basis of such information, the Issuer will determine the applicability of the withholding or deduction required by Romanian law.

If such withholding or deduction is required by law and the Issuer withholds or deducts from amounts payable in respect of the Notes to a Holder the necessary funds for the payment of any tax that it is required to withhold or deduct under Romanian law, the Issuer shall (subject to the applicable law and upon the relevant Holder’s request) provide that Holder with the relevant documents required for the Holder to request from the competent Romanian tax authority the certificate evidencing such withholding in Romania (*certificatul de atestare a impozitului plătit de nerezident*).

Any endeavour to adjust the supplementary income tax paid or in order to obtain reimbursement of such supplementary income tax paid shall be incumbent on the Holder.

For greater clarity, no additional amounts will be payable on account of any Taxes which:

- (a) are payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or distributions made by it; or
  - (b) are payable by reason of the Holder having, or having had, some personal or business connection with Romania; or
  - (c) are withheld or deducted, if such payment could have been effected by another custodian bank or collecting agent without such withholding or deduction; or
  - (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § [14] (Notices / [No] Stock Exchange Listing), whichever occurs later; or
  - (e) would not be payable if the Holder is able to avoid such a withholding or deduction providing a certificate of residence, certificate of exemption or any other similar documents.
- (2) *FATCA Withholding.* The Issuer will be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA Withholding**”). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a Holder, beneficial owner or other intermediary for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

## §9 Presentation Period

The presentation period provided in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”) in relation to the Notes is [(i)] [reduced to] [ten] [**insert other number of years**] [years] [unlimited] in respect of principal[.] [and (ii)] [limited to] [four] [**insert other number of years**] [years] [unlimited] in respect of interest]].

## §10 Events of Default

- (1) *Events of default.* Each Holder shall be entitled to declare by notice its Notes due and demand immediate redemption thereof at the Termination Amount (pursuant to § 6), [together with accrued interest (if any) to the date of repayment,] in the event that:
  - (a) the Issuer fails to pay principal [or interest] and any additional amounts on the Notes within 15 days from the relevant due date, or
  - (b) the Issuer fails to duly perform any other material obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 45 days after the Issuer has received notice thereof from a Holder, or
  - (c) the Issuer ceases to effect payments in general or announces its inability to meet its financial obligations generally; or
  - (d) a court opens insolvency proceedings against the Issuer and such proceedings are not dismissed or suspended within 60 days after the commencement thereof or the Issuer applies for or institutes such proceedings or offers or makes an arrangement for the benefit of its creditors generally; or
  - (e) the Issuer goes into liquidation; provided that a (partial) spin-off, a spin-off for re-establishment, a reconstruction, merger, or other form of amalgamation with another company shall not be considered a liquidation to the extent that such other company assumes all obligations which the Issuer has undertaken in connection with the Notes.
- (2) *Quorum, cure.* In the events specified in § 10 (1)(b) any notice declaring the Notes due shall, unless at the time such notice is received any of the events specified § 10(1)(a),(1)(c), (1)(d) or (1)(e) entitling Holders to declare their Notes due has occurred, become effective only when the [Fiscal Agent] has received such notices from the Holders of at least 25 per cent in principal amount of the Notes then outstanding. The right to declare Notes due shall terminate if the situation giving rise to it has been remedied before the right is exercised.
- (3) *Notice.* Any notice, including any notice declaring Notes due, in accordance with the above mentioned subparagraph (1) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the [Fiscal Agent] together with proof that such Holder at the time of such notice is a Holder of the relevant Notes by means of a certificate of his Custodian (as defined in § [15](3)) or in other appropriate manner.

## §11 Substitution

The provisions in this § 11 do not apply in any case of succession by operation of law.

- (1) *Substitution.* The Issuer may, irrespective of § 10, without the consent of the Holders, if no payment of principal [or of interest] on any of the Notes is in default, at any time substitute for the Issuer any company as principal debtor in respect of all obligations arising from or in connection with this Series of Notes (the “**Substitute Debtor**”) provided that:
  - (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the relevant Notes;
  - (b) the Issuer and the Substitute Debtor have obtained all necessary authorisations and the Substitute Debtor may transfer to the Fiscal Agent in the currency required hereunder and without being

obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

- (c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;
  - (d) [the rating of the long-term obligations of the Substitute Debtor is the same or better as the respective rating of the Issuer (confirmed by two rating agencies, for example S&P, Moody's or other similar agencies);]
  - [(d) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms equivalent to the terms of a guarantee of the Issuer in respect of senior Notes as a contract for the benefit of the Holders as third party beneficiaries pursuant to § 328(1) BGB (German Civil Code)<sup>2</sup>;
  - (e) there shall have been delivered to the [Fiscal Agent] one opinion for each of the Issuer's and the Substitute Debtor's jurisdiction of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied, provided that an opinion with regard to subparagraph (c) shall not be delivered if the Substitute Debtor has contractually committed to pay any tax, duty, assessment or governmental charge imposed on a Holder in respect of the substitution.
- (2) *Notice.* Notice of any such substitution shall be published in accordance with § [14] (Notices / [No] Stock Exchange Listing).
- (3) *Change of References.* In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.

Furthermore, in the event of such substitution the following shall apply.

***[if § 11(1)(d) provides for the issuance of the Guarantee:***

- (a) [In § 8 and § 6(3) an alternative reference to Romania shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor and]
  - (b) in § 10(1)(c) to (e) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor.]
- (4) In the event of any such substitution, the Substitute Debtor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Notes with the same effect as if the Substitute Debtor had been named as the Issuer herein, and the Issuer (or any corporation which shall have previously assumed the obligations of the Issuer) shall be released from its liability as obligor under the Notes.
- (5) After a substitution pursuant to this § 11, the Substitute Debtor may, without the consent of Holders, effect a further substitution. All the provisions specified in § 11 shall apply *mutatis mutandis*. ***[If the issuance of the Guarantee for Ordinary Senior Notes in accordance with § 11 (1)(d) is provided:*** In particular § 10(1)(d)] shall remain applicable in relation to Raiffeisen Bank S.A.] References in these Conditions of Issue to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.]

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<sup>2</sup> An English language translation of § 328 (1) of the German Civil Code (Bürgerliches Gesetzbuch) reads as follows: "A contract may stipulate performance for the benefit of a third party, to the effect that the third party acquires the right directly to demand performance".

## §12 Amendment of the Conditions, Holders' Representative

- (1) *Amendment of the Conditions.* In accordance with the German Act on Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – “**SchVG**”) the Holders may agree with the Issuer on amendments of the Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph (2) Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.
- (2) *Majority.* Resolutions shall be passed by a majority of not less than 75 per cent of the votes cast. Resolutions relating to amendments of the Conditions which are not material and which do not relate to the matters listed in § 5 paragraph 3, Nos. 1 to 8 of the SchVG require a simple majority of the votes cast
- (3) *Vote without a Meeting.* All votes will be taken exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18 paragraph 4 sentence 2 of the SchVG.
- (4) *Chair of the Vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative has convened the vote, by the Holders' Representative.
- (5) *Voting Rights.* Each Holder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes.
- (6) Holders' Representative.

**[If no Holders' Representative is designated in the Conditions:** The Holders may by majority resolution appoint a common representative (the “**Holders' Representative**”) to exercise the Holders' rights on behalf of each Holder.]

**[If the Holders' Representative is appointed in the Conditions:** The common representative (the “**Holders' Representative**”) shall be [insert Name of the Holders' Representative]. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted wilfully or with gross negligence.]

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

## §13 Further Issues, Repurchases and Cancellation

- (1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same Conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.
- (2) *Repurchases.* The Issuer may at any time repurchase Notes in any market or otherwise and at any price. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or [cancelled] [surrendered] to the [Fiscal Agent] for cancellation[.]

## §14 Notices / [No] Stock Exchange Listing

- (1) [The Issuer shall deliver all notices concerning the Notes [to the Clearing System] for communication [by the Clearing System] to the Holders. Any such notice shall be deemed to have been given to the Holders on the [number of days] day after the day on which said notice was given to the [Clearing System] [in [Insert Medium].

[(1)][(2)] [If the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, notices shall be published in accordance with the rules and regulations of such listing authority, stock exchange and/or quotation system. [As long as the Notes are listed on the Luxembourg Stock Exchange, notices concerning the Notes will be published on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu) or such other website or other medium for the publication of notices as required in accordance with the rules and regulations of the Luxembourg Stock Exchange.]

Any such notice shall be deemed to have been validly given to the Holders on the day of such publication.]

[A listing on a stock exchange is not envisaged.]

[(1)][(2)][(3)] The Issuer will [also] publish notices [on its website [www.raiffeisen.ro](http://www.raiffeisen.ro)[/•] for Debt Investors] [and] [in a leading daily newspaper having general circulation in [Romania][Luxembourg][**insert other country**]. This newspaper is expected to be the [**insert newspaper**]. Any notice so given will be deemed to have been validly given on the [**insert number of days**] day following the date of such publication.]

[(2)][(3)][(4)] Any notice so given [, except in case of subparagraph [(1)][(2)],] will be deemed to have been validly given if published more than once, on the [**insert number of days**] day after the date of the first such publication.]

[(2)][(3)][(4)][(5)] *Form of Notice of Holders.* Notices to be given by any Holder shall be made in writing in the English or German language. The notice must be accompanied by proof that such notifying Holder is holder of the relevant Notes at the time of the giving of such notice. Proof may be made by means of a certificate of the Custodian (as defined in § [15](3) (Final Provisions)) or in any other appropriate manner. So long as Notes are securitised in the form of a Global Note], such notice may be given by the Holder to the Fiscal Agent through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.]

## §15 Final Provisions

- (1) *Applicable Law.* The Notes, as to [form and] content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.
- (2) *Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main, Germany, shall have non-exclusive jurisdiction for any action or other legal proceedings (“**Proceedings**”) arising out of or in connection with the Notes.
- (3) *Enforcement.* Any Holder of Notes may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the Notes in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Notes. For purposes of the foregoing, “**Custodian**” means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Notes also in any other way which is admitted in the country of the proceedings.
- (4) *Language.* These Conditions are written in the English language only.

## TERMS AND CONDITIONS FOR SUBORDINATED NOTES

### OPTION II - TERMS AND CONDITIONS FOR SUBORDINATED NOTES

#### §1 Definitions

“**Conditions**” means these Terms and Conditions of the Subordinated Notes as completed.

*[If Reference Interest Rate is applicable, insert:*

“**Screen Page** [[•]]” means [REUTERS Screen Page [EURIBOR01] [ROBOR=]] **[insert Screen Page and additional information if necessary]** or each successor page.]

*[If Reference Swap Rate is applicable, insert:*

“**Screen Page** [[•]]” means [•]

“**Clearing System**”

means *[if more than one Clearing System insert:* each of]: [Clearstream Banking, S.A., Luxembourg, (“**CBL**”)] [,] [and] [Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”)] [(CBL and Euroclear are each an “**ICSD**” (International Central Securities Depository) and together the “**ICSDs**”)] [,] [and] [•] [Depozitarul Central SA as clearing system for the Notes listed at Bucharest Stock Exchange].

[“**Business Day**”

means any day (other than a Saturday or a Sunday) on which [the Clearing System] *[if the Specified Currency is EUR or if TARGET is needed for other reasons insert:* [as well as] the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) (“**TARGET**”)] [is][are] operational] *[if the Specified Currency is not EUR or if needed for other reasons insert:* [and] commercial banks and foreign exchange markets settle payments in [all relevant financial centres].]

“**Holder**”

means any holder of a co-ownership interest or other beneficial interest or right in the Subordinated Notes.

*[If Reference Rate is applicable, insert:*

“**Reference Rate**”

means a value, [which] [the performance of which] deter-mines [the height of a/the] [floating interest rate(s)] [and] [or] [the Redemption Amount] [and][or][if any interest will be paid for a certain interest period][and] [or] [the maturity of the Notes]**[insert any other legal consequence]** (i.e. an interest rate, a Swap Rate, an exchange rate, etc.)]

*[If the Reference Rate is an Interest Rate insert:*

“**Reference Interest Rate**”

means the offered quotation for the [number]-month [EURIBOR] [ROBOR] [€STR] **[insert other reference interest rate]** which appears on the Screen Page as of [11.00 a.m.] **[insert other relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day].]**

**[For EURIBOR or any other Reference Rate other than a compounded daily overnight reference rate, insert:**

If – other than in case of a Discontinuation Event (as defined below) - the relevant Screen Page is not available or if no such quotation appears as at such time, the Issuer shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *[per annum]*) **[insert other**

**period]** for the Reference Interest Rate at approximately [11.00 a.m.] **[insert relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]**. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Interest Rate [for such Interest Period] shall be the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth]**[insert other rounding rules]** of a percentage point, with [0.0005]**[0.00005]** [0.000005]**[insert other rounding rules]** being rounded upwards) of such offered quotations[, however at least 0.00 per cent p.a.], all as determined by the Calculation Agent.

If on any [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]** only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Reference Interest Rate [for the relevant Interest Period] **[determine other event]** shall be the rate [*per annum*] **[insert other time period]** which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth] **[insert other rounding rules]** of a percentage point, with [0.0005]**[0.00005]****[0.000005]****[insert other rounding rules]** being rounded upwards) of the rates, as communicated at the request of the Issuer to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m.]**[insert relevant time]** (**[insert relevant time zone]**) on the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]**, deposits in the Specified Currency for the relevant Interest Period by leading banks in the **[insert financial centre]** interbank market [in the Euro-Zone] [, however at least 0.00 per cent p.a.].

If the Reference Interest Rate cannot be determined in accordance with the foregoing provisions the Issuer will determine the Reference Interest Rate [for the relevant Interest Period] **[define other event]** at its equitable discretion according to § 317 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”) and also having regard to the operational requirements of the Calculation Agent. The Issuer shall notify the Calculation Agent of any determination made by it under this Conditions.

“**Reference Banks**” means the offices of not less than [four] **[insert other number]** major banks in the [relevant] **[insert relevant financial centre]** interbank market [in the Euro-Zone].]

***/For €STR insert:***

“**€STR**” means, in respect of any €STR-Business Day, a reference rate equal to the daily euro short-term rate for such €STR-Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the “**ECB’s Website**”) in each case, on or before 9:00 a.m., (Central European Time) on the €STR-Business Day immediately following such €STR-Business Day.

Notwithstanding the paragraph above, in the event the European Central Bank publishes guidance as to (i) how €STR is to be determined or (ii) any rate that is to replace €STR, the [Calculation Agent] [●] shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine €STR for the purpose of the Notes for so long as €STR is not available or has not been published by the authorised distributors.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions by the [Calculation Agent] [●], the Interest Rate shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date.

Where:

“**€STR-Business Day**” means any day which is a TARGET Business Day.]

**[For EURIBOR or an other Reference Interest Rate other than a compounded daily overnight reference rate, insert:**

*Reference Interest Rate replacement in case of a Discontinuation Event.* If the Issuer determines in its reasonable discretion (i) it becomes unlawful for the Issuer or the Calculation Agent to use the Reference Interest Rate, or (ii) the administrator of the Reference Interest Rate ceases to calculate and publish the Reference Interest Rate permanently or for an indefinite period of time, or (iii) the administrator of the Reference Interest Rate becomes insolvent or an insolvency, a bankruptcy, restructuring or similar proceeding (affecting the administrator) is commenced by the administrator or its supervisory or regulatory authority, or (iv) the Reference Interest Rate is otherwise being discontinued or otherwise ceases to be provided (each of the events in (i) through (iv) a “**Discontinuation Event**”), the Reference Interest Rate shall be replaced, on [the] [each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day(s)**], by a rate determined or procured, as the case may be, by the Issuer (the “**Successor Reference Interest Rate**”) according to the following paragraphs in the order of I)-III):

- (I) The Reference Interest Rate shall be replaced with the reference rate, which is determined by any applicable law or regulation or announced by the administrator of the Reference Interest Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Interest Rate and the source of which is accessible to the Calculation Agent. The Issuer shall thereafter inform the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14. [If, on any previous [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**], the Successor Reference Interest Rate was also determined in accordance with the provisions of paragraph I), no [other] publication obligations will apply for the Issuer in connection with such Successor Reference Rate or any adjustments or changes made in relation thereto or relating to the determination of the [Rate of Interest] [or][the] [Interest Amount][**determine other rate or amount**] as set out below;]
- (II) An Independent Advisor will in its reasonable discretion (*billiges Ermessen*) choose a successor reference rate that is most comparable to the Reference Interest Rate, provided that if the Independent Advisor determines that there is an industry accepted reference rate as being most comparable to the Reference Interest Rate, then the Independent Advisor will use such reference rate as successor reference rate (the “**Successor Reference Rate**”) and determine which screen page or source shall be used in connection with such Successor Reference Rate (the “**Successor Screen Page**”). Provided that such Successor Screen Page is accessible to the Calculation Agent, any reference to the Screen Page herein shall from the date of the determination of the Successor Reference Rate on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply mutatis mutandis. The Independent Advisor will notify the Issuer and the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] about such determinations. The Issuer shall thereafter inform the Holders of the Notes in accordance with § 14.

Further and in addition to any replacement of the Reference Interest Rate with a Successor Reference Interest Rate in accordance with the above provisions I) or II) the Issuer (acting in good faith and in a commercially reasonable manner) may specify (i) an interest adjustment factor or fraction or spread (to be added or subtracted) which shall be applied to the Successor Reference Interest Rate, for the purpose of achieving a result which is consistent with the economic substance of the Reference Interest Rate before the Discontinuation Event occurred, and (ii) any further changes necessary for determining the [Rate of Interest and calculating the Interest Amount] [**determine other rate/amount**] in order to follow market practice in relation to the Successor Reference Interest Rate [(such as the Day Count Fraction, the Business Day Convention, Business Days, the Interest Determination Dates, the method of calculating the Interest Amount)]. Thereafter, the Issuer shall inform the Calculation Agent at least 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14 (other than in the case set out in paragraph I) above).

- (III) If the source of the successor rate for the Reference Interest Rate determined in accordance with the above provision I) or the Successor Screen Page determined in accordance with the above provision II) is not



accessible to the Calculation Agent or if the Independent Advisor fails to determine the Successor Reference Rate at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and to notify the Calculation Agent or in the event that the Issuer, having used reasonable endeavours, fails to appoint an Independent Advisor or the period to determine a Successor Reference Interest Rate according to the provisions above was not sufficient, the Issuer will decide in its reasonable discretion (*billiges Ermessen*) and not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] relating to the [next succeeding Interest Period][**determine other event / day**] (the “**Procedures Determination Date**”):

- (a) [that the Reference Interest Rate shall be the offered quotation for the Reference Interest Rate which appeared on the Screen Page, as described above, on the last day preceding the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] on which such quotations were offered and shall thereafter inform the Holders of the Notes in accordance with § 14[.] [; or]
- (b) redeem the Notes in whole but not in part and subject to the adherence of the Conditions to Early Redemption and Repurchase (as defined in § 6 [(6)][(7)]) and subject to the prior permission of the Competent Authority and/or Resolution Authority, by giving not less than 20 days’ notice in accordance with § 14, at the [Final Redemption Amount][Early Redemption Amount] (as defined below pursuant to § 6), together with interest (if any) accrued to (but excluding) the date fixed for such early redemption.

Such notice of redemption shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) the date determined for redemption, which shall be the second [Coupon Date][Interest Payment Date] following the Procedures Determination Date; and
- (iii) the [Final][Early] Redemption Amount.

If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date] [**determine other day**] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]]

“**Independent Advisor**” means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense.]

*[If the Reference Rate is a Swap Rate insert:*

“**Reference Swap Rate**” is [“[**insert number of years/months**] [year][months] [**insert relevant currency**] Swap Rate and means [●] / **insert definition** /Screen Page].]

If the [[**insert number of years/months**] [year][month] [**insert relevant currency**] Swap Rate] [insert other swap rate] is not displayed on the Screen Page on the Interest Adjustment Determination Date, the [[**insert number of years/months**] [year][month] [**insert relevant currency**]Swap Rate] [**insert other swap rate**] is equal to the Reset Reference Bank Rate (as defined below) on that Interest Adjustment Determination Date.

“**Reset Reference Bank Rate**” means the percentage rate determined by the Calculation Agent on the basis of the [[**insert number of years/months**] [year][month] Swap Rate] [**insert other swap rate**] Quotations (as defined below) provided by [five] [**insert other number**] leading swap dealers in the interbank market (the “**Reset Reference Banks**”) at the request of the Issuer to the Calculation Agent at approximately [**insert time**] ([**insert time zone**)]], on the Interest Adjustment Determination Date. If at least [three] [**insert other number**] quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If the Reset Reference Bank Rate cannot be determined in accordance with the foregoing provisions of this paragraph,

the applicable Reset Reference Bank Rate shall be equal to the last **[[insert number of years/months] [year][month] Swap Rate] [insert other swap rate]** available on the Screen Page as determined by the Calculation Agent.

**“[[insert number of years/months] [year][month] Swap Rate] [insert other swap rate] Quotation”** means the arithmetic mean of the bid and offered rates for the fixed leg (calculated on **[[insert day count fraction]]**) of a **[[insert reference swap rate]]** which (i) has a term of **[[insert number of [years][months]]]** commencing on the Interest Adjustment Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledgement dealer of good credit in the swap market and (iii) has a floating interest based on the **[[insert reference interest rate]]** (calculated on an **[[insert day count fraction]]** basis).]

**[[insert other definitions for Quotation]]**

**[[Reference Swap Rate] [insert other definition for quotation]** replacement in case of a Discontinuation Event. If the Issuer determines in its reasonable discretion (i) it becomes unlawful for the Issuer or the Calculation Agent to use the **[[Reference Swap Rate] [insert other definition for quotation]]**, or (ii) the administrator of the **[[Reference Swap Rate] [insert other definition for quotation]]** ceases to calculate and publish the **[[Reference Swap Rate] [insert other definition for quotation]]** permanently or for an indefinite period of time, or (iii) the administrator of the **[[Reference Swap Rate] [insert other definition for quotation]]** becomes insolvent or an insolvency, a bankruptcy, restructuring or similar proceeding (affecting the administrator) is commenced by the administrator or its supervisory or regulatory authority, or (iv) the **[[Reference Swap Rate] [insert other definition for quotation]]** is otherwise being discontinued or otherwise ceases to be provided (each of the events in (i) through (iv) a **“Discontinuation Event”**), the **[[Reference Swap Rate] [insert other definition for quotation]]** shall be replaced, on [the] [each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[[determine other day(s)]]**, by a rate determined or procured, as the case may be, by the Issuer (the **“Successor Quotation Rate”**) according to the following paragraphs in the order of I-III):

- (I) The **[[Reference Swap Rate] [insert other definition for quotation]]** shall be replaced with the reference rate, which is determined by any applicable law or regulation or announced by the administrator of the **[[Reference Swap Rate] [insert other definition for quotation]]**, the competent central bank or a regulatory or supervisory authority as the successor rate for the **[[Reference Swap Rate] [insert other definition for quotation]]** and the source of which is accessible to the Calculation Agent. The Issuer shall thereafter inform the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[[determine other day]]** and, subsequently the Holders of the Notes in accordance with § 14. [If, on any previous [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[[determine other day]]**, the **Successor Quotation Rate** was also determined in accordance with the provisions of paragraph I), no [other] publication obligations will apply for the Issuer in connection with such **Successor Quotation Rate** or any adjustments or changes made in relation thereto or relating to the determination of the [Rate of Interest] [or] [Interest Amount]**[[determine other rate or amount]]** as set out below;]
- (II) An Independent Advisor will in its reasonable discretion (*billiges Ermessen*) choose a successor reference rate that is most comparable to the **[[Reference Swap Rate] [insert other definition for quotation]]**, provided that if the Independent Advisor determines that there is an industry accepted reference rate as being most comparable to the **[[Reference Swap Rate] [insert other definition for quotation]]**, then the Independent Advisor will use such reference rate as successor reference rate (the **“Successor Reference Rate”**) and determine which screen page or source shall be used in connection with such Successor Reference Rate (the **“Successor Screen Page”**). Provided that such Successor Screen Page is accessible to the Calculation Agent, any reference to the Screen Page herein shall from the date of the determination of the Successor Reference Rate on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply mutatis mutandis. The Independent Advisor will notify the Issuer and the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[[determine other day]]** about such determinations. The Issuer shall thereafter inform the Holders of the Notes in accordance with § 14.

Further and in addition to any replacement of the **[[Reference Swap Rate] [insert other definition for quotation]]** with a **Successor Quotation Rate** in accordance with the above provisions I) or II) the Issuer (acting in good faith and in a commercially reasonable manner) may specify (i) an interest adjustment factor

or fraction or spread (to be added or subtracted) which shall be applied to the **Successor Quotation Rate**, for the purpose of achieving a result which is consistent with the economic substance of the [Reference Swap Rate][**insert other definition for quotation**] before the Discontinuation Event occurred, and (ii) any further changes necessary for determining the [Rate of Interest and calculating the Interest Amount][**determine other rate/amount**] in order to follow market practice in relation to the **Successor Quotation Rate** [(such as the Day Count Fraction, the Business Day Convention, Business Days, the Interest Determination Dates, the method of calculating the Interest Amount)]. Thereafter, the Issuer shall inform the Calculation Agent at least 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14 (other than in the case set out in paragraph I) above).

(III) If the source of the successor rate for the [Reference Swap Rate][**insert other definition for quotation**] determined in accordance with the above provision I) or the Successor Screen Page determined in accordance with the above provision II) is not accessible to the Calculation Agent or if the Independent Advisor fails to determine the Successor Reference Rate at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and to notify the Calculation Agent or in the event that the Issuer, having used reasonable endeavours, fails to appoint an Independent Advisor or the period to determine a **Successor Quotation Rate** according to the provisions above was not sufficient, the Issuer will decide in its reasonable discretion (*billiges Ermessen*) and not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] relating to the [next succeeding Interest Period][**determine other event / day**] (the “**Procedures Determination Date**”):

- (a) [that the [Reference Swap Rate][**insert other definition for quotation**] shall be such [Reference Swap Rate][**insert other definition for quotation**] which appeared on the Screen Page, as described above, on the last day preceding the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] on which such quotations were offered and shall thereafter inform the Holders of the Notes in accordance with § 14[.] [; or]
- (b) redeem the Notes in whole but not in part, by giving not less than 20 days’ notice in accordance with § 14, at the [Final Redemption Amount][Early Redemption Amount] (as defined below pursuant to § 6), together with interest (if any) accrued to (but excluding) the date fixed for such early redemption.

Such notice of redemption shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) the date determined for redemption, which shall be the second [Coupon Date][Interest Payment Date] following the Procedures Determination Date; and
- (iii) the [Final][Early] Redemption Amount.

If the Issuer elects to redeem the Notes, the [Rate of Interest][[Reference Swap Rate][**insert other definition for quotation**]] applicable from the last [Coupon Date] [Interest Payment Date] [**determine other day**] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][[Reference Swap Rate][**insert other definition for quotation**]] applicable to the immediately preceding Interest Period.]]

“**Independent Advisor**” means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense.]

[“**TARGET Business Day**” means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) (“**TARGET**”) is operational.]

[“**Interest Determination Date**” means the [[second] [**insert other applicable number of days**] [TARGET][.],[and][**insert all relevant financial centres**] Business Day prior to the [commencement] [end] of the relevant Interest Period.]

[first day of the relevant Interest Period.]]

[[●] Business Day prior to [the expiry] [the Coupon Date] of the relevant Interest Period.]]

“**Interest Period**” means the period for which interest is calculated and paid.

## §2 Currency, Denomination, Issue Date(s), Form, Custody

(1) *Currency – Denomination - Issue Date[s]*. This Series [insert number of the Series and name], [insert Tranche] of Subordinated Notes (the “**Subordinated Notes**”) of Raiffeisen Bank S.A. (the “**Issuer**”) is being issued [on [insert Issue Date] (the “**Issue Date**”)[from [insert Initial Issue Date] (the “**Initial Issue Date**”) within an open issuance period (“**Open Issuance Period**”)] in [insert Specified Currency] (the “**Specified Currency**”) in the aggregate principal amount of [up to][aggregate principal amount] (in words: [aggregate principal amount in words]) in the denomination of [insert Specified Denomination<sup>3</sup>] (the “**Specified Denomination**”).

(2) *Form*.

(a) The Subordinated Notes are being issued in bearer form.

*[In the case of Subordinated Notes which are represented by a Permanent Global Note governed by German law, insert:*

(b) *Permanent Global Note governed by German law*. The Subordinated Notes are represented by a permanent global note (the “**Permanent Global Note**” or the “**Global Note**”) without coupons. The Permanent Global Note shall be signed by duly authorised signatories of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.]

*[In the case of Subordinated Notes which are initially represented by a Temporary Global Note governed by German law to be exchanged for a Permanent Global Note, insert:*

(b) Temporary Global Note – Exchange – Permanent Global Note governed by German law.

(i) The Subordinated Notes are initially represented by a temporary global note (the “**Temporary Global Note**”) without coupons. The Temporary Global Note will be exchangeable for Subordinated Notes in the Specified Denomination represented by a permanent global note (the “**Permanent Global Note**” and, together with the Temporary Global Note, the “**Global Notes**” and, each a “**Global Note**”) without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by two duly authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the “**Exchange Date**”) not later than 180 days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Subordinated Notes represented by the Temporary Global Note is not a U. S. person (other than certain financial institutions or certain persons holding Subordinated Notes through such financial institutions). Payment of interest on Subordinated Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such

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<sup>3</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes

certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to subparagraph (b) of this § 2(2). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, “**United States**” means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

- (3) *Custody – Clearing System.* The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Subordinated Notes have been satisfied.

The Subordinated Notes are issued in Classical Global Note (“CGN”) form and are kept in custody by a common depositary on behalf of both ICSDs.

### §3 Status

- (1) *Status Subordinated Notes.* The Subordinated Notes shall qualify as Tier 2 Instruments (as defined below) and constitute direct, unsecured, unconditional, and subordinated obligations of the Issuer.

In the event of normal insolvency proceedings (bankruptcy proceedings) (*faliment*) or liquidation (*lichidare*) of the Issuer, any claim on the principal amount and the interest under the Subordinated Notes will rank, subject to such exceptions as are from time to time mandatory under applicable law:

- (a) junior to all present or future claims from the Issuer’s Senior Ranking Obligations, so that in any such event no amounts will be payable in respect of the Subordinated Notes until the Issuer’s Senior Ranking Obligations have been satisfied in full.
- (b) *pari passu*: (i) without any preference among themselves at all times; and (ii) with all other present or future claims from Tier 2 Instruments and other subordinated instruments or obligations of the Issuer (other than subordinated instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Subordinated Notes); and
- (c) senior to all present or future claims from: (i) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (ii) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; and (iii) all other subordinated instruments or obligations of the Issuer ranking or expressed to rank junior to the Subordinated Notes.

Where:

“**BRRD**” means 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, as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the BRDD include references to any applicable provisions of law amending or replacing such articles from time to time.

“**CRR**” means the 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 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

“**Issuer’s Senior Ranking Obligations**” means (i) all unsecured and unsubordinated obligations of the Issuer (including senior unsecured and unsubordinated obligations such as those ranking senior to instruments meeting the requirements under Article 234<sup>1</sup> of the Romanian Insolvency Act); (ii) instruments

or obligations of the Issuer that do not result from own funds items of the Issuer; (iii) all eligible liabilities instruments of the Issuer (pursuant to Article 72b CRR); (iv) any present or future claims which are excluded liabilities within the meaning of Article 72a (2) of the CRR or which are excluded from the application of the write-down or conversion powers in accordance with the provisions of Article 44 (2) and (3) of BRRD; and (v) any other subordinated obligations of the Issuer which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Subordinated Notes at the relevant time.

**“Romanian Insolvency Act”** means Law no. 85/2014 on insolvency prevention procedures and on insolvency procedure (*Legea 85/2014 privind procedurile de prevenire a insolvenței și de insolvență*), as amended or replaced from time to time and any references in these Conditions to relevant provisions of the Romanian Insolvency Act include references to any applicable provisions of law amending or replacing such provisions from time to time.

**“Tier 2 Instruments”** means any (directly or indirectly issued) capital instruments of the Issuer that qualify as Tier 2 instruments pursuant to Article 63 CRR, including any capital (or other) instruments that qualify as Tier 2 items pursuant to transitional provisions under the CRR.

- (2) *No Set-off/Netting; No Security/Guarantee; No Enhancement of Seniority.* The Subordinated Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution.

The Subordinated Notes are neither secured, nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the Subordinated Notes.

- (3) *Possibility of statutory resolution measures.* Prior to any insolvency (*faliment*) or liquidation (*lichidare*) of the Issuer, under the applicable banking resolution provisions, including the Romanian Recovery and Resolution Act, the Capital Regulations and the Applicable Law, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Subordinated Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Subordinated Notes.

Where:

**“Applicable Law”** means the legislation of Romania and the European Union as applicable in Romania (including secondary or delegated legislation, and any regulations, decisions or rules of any public authority which are legally binding) in force, as the same may be amended or replaced from time to time.

**“Capital Regulations”** means, at any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity for credit institutions of either (i) the National Bank of Romania and/or (ii) any other national or European authority, in each case then in effect in Romania and applicable to the Issuer, including, as at the date hereof, CRR, CRD, BRRD, as well as any delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority, each as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Terms and Conditions to relevant articles of the Capital Regulations include references to any applicable provisions of law amending or replacing such articles from time to time.

**“CRD”** means 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 as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the CRD include references to any applicable provisions of law amending or replacing such articles from time to time.

**“Resolution Authority”** means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for recovery or resolution of the Issuer on an individual and/or consolidated basis.

#### §4 Interest

[In case of Subordinated Fixed Rate Notes insert:

(1) *Rate of Interest, Interest Period[s].*

- (a) The Subordinated Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) [insert date] (the “**Interest Commencement Date**”) to (but excluding) the [in case of no adjustment of Interest Period insert: [last] Coupon Date] [in case of an adjustment of Interest Period insert: Maturity Date (as defined in § 6(1))].

[An][The] “**Interest Period**” is respectively from (and including) the Interest Commencement Date to (but excluding) the [in case of no adjustment of Interest Period insert: [first] Coupon Date] [in case of an adjustment of Interest Period insert: [first] Interest Payment Date][Maturity Date] [and thereafter from (and including) each [in case of no adjustment of Interest Period insert: Coupon Date] [in case of an adjustment of Interest Period insert: Interest Payment Date] to (but each excluding) [in case of no adjustment of Interest Period insert: the next following Coupon Date or last Coupon Date] [in case of an adjustment of Interest Period insert: next following Interest Payment Date or the Maturity Date].]

The Interest Period[s] will be [un]adjusted.

- (b) The rate of interest is [insert Rate of Interest] per cent [*per annum*] [insert other period].
- (2) *Coupon Date[s], Interest Payment Date[s].* Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on [insert Coupon Date(s)] in each year (each such date a “**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on [insert Coupon Date] (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on [insert first Coupon Date]. The last Coupon Date shall be on [insert last Coupon Date].]

Interest on the Subordinated Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on a Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

[In the case of [short] [long] Interest Periods insert: [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: [●] [last Coupon Date is: [●].]

- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

[In case of Subordinated Floating Rate Notes insert:

(3) *Interest Period[s], Coupon Date[s], Interest Payment Date[s].*

- (a) The Subordinated Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) [insert Interest Commencement Date] (the “**Interest Commencement Date**”) to (but excluding) the [in case of no adjustment of Interest Period insert: [last] Coupon Date] [in case of an adjustment of Interest Period insert: Maturity Date (as defined in § 6(1))].

[An][The] “**Interest Period**” is [respectively] from (and including) the Interest Commencement Date to (but excluding) the [in case of no adjustment of Interest Period insert: [first] Coupon Date] [in case of an adjustment of Interest Period insert: [first] Interest Payment Date] [Maturity

Date] [and thereafter from (and including) each [*in case of no adjustment of Interest Period insert:* Coupon Date] [*in case of an adjustment of Interest Period insert:* Interest Payment Date] to (but each excluding) [*in case of no adjustment of Interest Period insert:* the next following Coupon Date or last Coupon Date] [*in case of an adjustment of Interest Period insert:* the next following Interest Payment Date or the Maturity Date].]

The Interest Period[s] will be [un]adjusted.

- (b) *Coupon Date[s]*. Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on [**insert Coupon Date(s)**] [in each year] (each such date a “**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on [**insert Coupon Date**] (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on [**insert first Coupon Date**]. The last Coupon Date shall be on [**insert last Coupon Date**].]

- (c) *Interest Payment Date[s]*. Interest on the Subordinated Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on the Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

[*In the case of [short] [long] Interest Period insert:* [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: [**insert first Coupon Date**] [(“**First Coupon Date**”))] [last Coupon Date is: [**insert last Coupon Date**] [(“**Last Coupon Date**”)]].]

[**Options for various Reference Rates regarding the rate of interest:**

[*In case the rate of interest shall be calculated on the basis of a Reference Interest Rate, insert:*

- (4) *Rate of Interest*. The rate of interest (the “Rate of Interest”) for [the][each] Interest Period will, except as provided below, be

[*For EURIBOR or another Reference Interest Rate other than a compounded daily overnight reference rate, insert:*

the Reference Interest Rate [, however, should such Reference Interest Rate be below 0.00 per cent p.a., a Reference Interest Rate of 0.00 per cent p.a. will be applied,] [*in case of multiplication with a factor, insert:*, multiplied by the [positive][negative] Factor [and subsequently]] [*in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [*per annum*] [**insert other time period**].

[*For Compounded Daily €STR or another compounded daily overnight reference rate, insert:*

the Compounded Daily [**insert relevant overnight reference rate**] calculated on a compounded basis for the relevant Interest Period in accordance with the formula below on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] (as defined below) [,whereby a Compounded Daily [**insert relevant overnight reference rate**] of 0.00 per cent p.a. will be applied, should such Compounded Daily [**insert relevant overnight reference rate**] be below 0.00 per cent p.a.,] [*in case of multiplication with a factor, insert:*, multiplied by the [positive][negative] Factor [and subsequently]] [*in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [*per annum*] [**insert other time period**].

The Compounded Daily [**insert relevant overnight reference rate**] means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant



[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **determine other day** as follows, and the resulting percentage will be rounded, if necessary, to the [fifth] [●] decimal place, with [0.000005] [●]% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

**“Applicable Period”** means *if the Observation Method is lag*: the Interest Period][*if the Observation Method is observation shift*: the Observation Period].

**“BD”** means a[other compounded daily overnight reference rate-][€STR-]Business Day.

**“D”** means [insert the relevant number of days] and represents the number of days in the year used for the calculation of the Rate of Interest.

**“d”** means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

**“d<sub>0</sub>”** means, for the relevant Applicable Period, the number of [other compounded daily overnight reference rate-][€STR-]Business Days in such Applicable Period.

**“i”** means for the relevant Applicable Period, a series of whole numbers from one to “d<sub>0</sub>”, each representing the relevant [other compounded daily overnight reference rate-][€STR-]Business Day in chronological order from, and including, the first [other compounded daily overnight reference rate-][€STR-]Business Day in such Applicable Period.

**“n<sub>i</sub>”** for any Business Day “i” in the Applicable Period, means the number of calendar days from, and including, such [other compounded daily overnight reference rate-][€STR-]Business Day “i” up to but excluding the following [other compounded daily overnight reference rate-][€STR-]Business Day.

**“Observation Method”** means [lag][observation shift].

**“Observation Period”** means, in respect of the relevant Interest Period, the period from, and including, the date falling “p” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “p” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “p” [other compounded daily overnight reference rate-][€STR-]Business Days prior to such earlier date, if any, on which the Notes become due and payable).

**“p”** means, for any Applicable Period, [insert number] [other compounded daily overnight reference rate-][€STR-]Business Days (provided that “p” shall not be less than five [other compounded daily overnight reference rate-][€STR-]Business Days without the prior written agreement of the Calculation Agent or, if no such number is specified five [other compounded daily overnight reference rate-][€STR-]Business Days).

**“r”** means:

[where “[insert other compounded daily overnight reference rate]” is specified as the relevant overnight reference rate in respect of any [other compounded daily overnight reference rate-]Business Day, the [other compounded daily overnight reference rate-] in respect of such [other compounded daily overnight reference rate-]Business Day.]

[where “€STR” is specified as the relevant overnight reference rate, in respect of any €STR-Business Day, the €STR in respect of such €STR-Business Day.]

**“r<sub>(i-pBD)</sub>”** means the applicable Reference Rate as set out in the definition of “r” above for, *where lag is specified as the Observation Method*: the [other compounded daily overnight reference rate-][€STR-]Business Day (being a [other compounded daily overnight reference rate-][€STR-]Business Day falling in the relevant Observation Period) falling “p” [other compounded daily overnight reference rate-][€STR-]

]Business Days prior to the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “i”].[otherwise: the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “i”].]

***[In the case of [short] [long] first Interest Period and if interpolation is applicable, insert:***

(This shall not apply for the Interest Period which ends with the First Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.)]

***[In the case of [short] [long] last Interest Period and if interpolation is applicable, insert:***

(This shall not apply for the Interest Period which ends with the Last Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.)]

[“**Factor**” means a positive or negative number and has been determined [for the [first] [•] Interest Period] as [+][-] [insert number] [insert further].]

[“**Margin**” corresponds to a surcharge or disagio in percentage points and has been determined [for the [first] [•] Interest Period] as [•] [for the [•] Interest Period] as [•]] [insert further].]

**[Continuation of general terms and conditions for floating interest:**

[(3)][(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the “**Interest Amount**”) payable on the Subordinated Notes for the relevant Interest Period. The relevant Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to [the outstanding aggregate principal amount of the Subordinated Notes] [the Specified Denomination] and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(•)] *Notification of Rate of Interest and Interest Amount.*

***[In case of interest determination in advance, insert:***

The Calculation Agent will cause the Rate of Interest[, each Interest Amount] for each Interest Period, [and] each Interest Period [and the relevant Interest Payment Date]

- (i) to be notified to the Issuer[, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than [the second] [•] Business Day prior to the commencement of the relevant Interest Period] [first day of the relevant Interest Period] **[insert other time]**, and
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Subordinated Notes are listed will be made to the extent provided for by such rules.]

Each Interest Amount and each Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer [, the

Clearing System,] [any stock exchange on which the Subordinated Notes are then listed], [any Paying Agent] and to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).]

**[In case of interest determination in arrear, insert:**

The Calculation Agent will cause the Rate of Interest[, each Interest Amount for each Interest Period,] [and] each Interest Period [and the relevant Interest Payment Date]

- (i) [to be notified to the Issuer, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than the [[•] Business Day prior to the expiry of the relevant Interest Period] [[the second] [•] Business Day prior to the [Coupon Date] [Interest Payment Date] of the [relevant] Interest Period] **[insert other time]**, and]

[ (i) to be notified to the Issuer [, the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] on the day which is two (2) Business Days after the end of the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[specify other date]**, and]

- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Subordinated Notes are listed will be made to the extent provided for by such rules.]

**[In case of Subordinated Notes with Fixed to [Fixed to] Floating interest rates, insert:**

(1) *Fixed Interest.*

- (a) *Rate of Interest, Fixed Interest Period[s], Interest Exchange Day.* The Subordinated Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Fixed Interest Period[s] from (and including) **[insert date]** (the “**Interest Commencement Date**”) to (but excluding) the [*in case of no adjustment of Fixed Interest Period insert:* [first] [•] [last] Fixed Coupon Date] [, i.e. **[insert date]**] [*in case of an adjustment of Fixed Interest Period insert:* [first] [•] [last] Fixed Interest Payment Date] (the “**Fixed Interest Rate Period**”).

[A][The] “**Fixed Interest Period**” is respectively from (and including) the Interest Commencement Date to (but excluding) the [*in case of no adjustment of Interest Period insert:* [first] [Fixed Coupon Date] [or] [Interest Exchange Day]] [*in case of an adjustment of Fixed Interest Period insert:* [first] [Fixed Interest Payment Date] [[or] [Interest Exchange Day]]] [and thereafter from (and including) each [*in case of no adjustment of Fixed Interest Period insert:* Fixed Coupon Date] [*in case of an adjustment of Fixed Interest Period insert:* Fixed Interest Payment Date] to (but each excluding) [*in case of no adjustment of Fixed Interest Period insert:* the next following Fixed Coupon Date or Interest Exchange Day, as the case may be] [*in case of an adjustment of Fixed Interest Period insert:* next following Fixed Interest Payment Date or Interest Exchange Day, as the case may be].

“**Interest Exchange Day**” means [the [last] Fixed Coupon Date,] i.e. **[insert date]**] [the Fixed Interest Payment Date relating to the [last] Fixed Coupon Date [i.e. **[insert [last] Fixed Coupon Date]**]].

The Fixed Interest Period[s] will be [un]adjusted.

**[In case of one interest rate for the entire Fixed Interest Rate Period, insert:** The rate of interest for the Fixed Interest Rate Period is **[insert Rate of Interest]** per cent *[per annum]* **[insert other period]** (the "**Fixed Interest Rate**").]

**[In case of several interest rates during the Fixed Interest Rate Period, insert:** The rate[s] of interest during the Fixed Interest Rate Period [is][are] for the [first] Fixed Interest Period [from the Interest Commencement Date to the [first][Fixed Coupon Date][Fixed Interest Payment Date] **[insert Rate of Interest]** per cent *[per annum]* [,][and] [for the [n-th] Fixed Interest Period from the [insert relevant Fixed Coupon Date][insert relevant Fixed Interest Payment Date] to the [insert relevant Fixed Coupon Date][insert relevant Fixed Interest Payment Date] **[insert Rate of Interest]** per cent *[per annum]* [,][and] **[insert further/other period]** (the relevant "**Fixed Interest Rate[s]**")].]

- (b) *Fixed Coupon Date[s], Fixed Interest Payment Date[s].* Fixed interest shall be payable in arrear. [Fixed Coupon Dates are [in each case] on **[insert Fixed Coupon Date(s)]** [in each year] (each such date a "**Fixed Coupon Date**") and remain always unadjusted.] [Fixed Coupon Date is on **[insert Fixed Coupon Date]** (the "**Fixed Coupon Date**") and it remains unadjusted.]

[The first Fixed Coupon Date shall be on **[insert first Fixed Coupon Date]**. The last Fixed Coupon Date **[insert last Fixed Coupon Date]**.]

Fixed interest on the Subordinated Notes shall be payable on [each][the] Fixed Interest Payment Date.

"**Fixed Interest Payment Date**" means such Business Day, on which the fixed interest is in fact due and payable. This may fall on a Fixed Coupon Date or may shift to the appropriated Business Day – if the Fixed Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

**[In the case of [short] [long] Fixed Interest Period insert:** [The [first] [last] Fixed Interest Period is [shortened] [extended]; [first Fixed Coupon Date is: **[insert first Fixed Coupon Date]** [last Fixed Coupon Date is: **[insert last Fixed Coupon Date]**]

- (c) *Calculation of Fixed Interest for Partial Periods.* If fixed interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(2) *Floating Interest.*

- (a) *Rate of Interest, Floating Interest Period[s], Floating Interest Payment Date[s].* The Subordinated Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Floating Interest Period[s] from (and including) the Interest Exchange Day to (but excluding) the *[in case of no adjustment of Floating Interest Period insert:* [last] Floating Coupon Date] *[in case of an adjustment of Floating Interest Period insert:* Maturity Date (as defined in § 6(1)).

[A][The] "**Floating Interest Period**" is [respectively] from (and including) the Interest Exchange Day to (but excluding) the *[in case of no adjustment of Floating Interest Period insert:* [first] Floating Coupon Date] *[in case of an adjustment of Floating Interest Period insert:* [first] Floating Interest Payment Date] [Maturity Date] [and thereafter from (and including) each *[in case of no adjustment of Floating Interest Period insert:* Floating Coupon Date] *[in case of an adjustment of Floating Interest Period insert:* Floating Interest Payment Date] to (but each excluding) *[in case of no adjustment of Floating Interest Period insert:* the next following Floating Coupon Date or last Floating Coupon Date] *[in case of an adjustment of Floating Interest Period insert:* the next following Floating Interest Payment Date or the Maturity Date]].

The Floating Interest Period[s] will be [un]adjusted.

- (b) *Floating Coupon Date[s]*. Floating interest shall be payable [annually] [semi annually] [quarterly] in arrear. ["**Floating Coupon Dates**" are in each case on [**insert floating coupon dates**] [in each year] (each such date a "**Floating Coupon Date**") and always remain unadjusted.]

["**Floating Coupon Date**" is the [**insert floating coupon date**] and it always remains unadjusted.]

[The first Floating Coupon Date shall be on [**insert first Floating Coupon Date**]. The last Floating Coupon Date shall be on [**insert last Floating Coupon Date**].]

- (c) *Floating Interest Payment Date[s]*.

Interest on the Subordinated Notes shall be payable on [each][the] Floating Interest Payment Date.

Floating Interest Payment Date means such Business Day, on which the floating interest is in fact due and payable. This may fall on the Floating Coupon Date or may shift to the appropriated Business Day – if the Floating Coupon Date falls on a day which is not a Business Day based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

*[In the case of [short] [long] Floating Interest Periods insert:* [The [first] [last] Floating Interest Period is [shortened] [extended]; [first Floating Coupon Date is: [**insert first Floating Coupon Date**] ["**First Coupon Date**"]]] [last Floating Coupon Date is: [**insert last Floating Coupon Date**] ["**Last Coupon Date**"]]].

**[Options for various Reference Rates regarding the floating rate of interest:**

*[In case the floating rate of interest shall be calculated on the basis of a Reference Interest Rate, insert:*

- (d) *Floating Rate of Interest*. The floating rate of interest (the "**Floating Rate of Interest**") for [the][each] Floating Interest Period will, except as provided below, be

*[For EURIBOR or another Reference Interest Rate other than a compounded daily overnight reference rate, insert:*

the Reference Interest Rate [, however, should such Reference Interest Rate be below 0.00 per cent p.a., a Reference Interest Rate of 0.00 per cent p.a. will be applied,] [*in case of multiplication with a factor, insert:*, multiplied by the [positive][negative] Factor [and subsequently]] [*in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [*per annum*] [**insert other time period**].

*[For Compounded Daily €STR or another compounded daily overnight reference rate, insert:*

the Compounded Daily [**insert relevant overnight reference rate**] calculated on a compounded basis for the relevant Interest Period in accordance with the formula below on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] (as defined below) [,whereby a Compounded Daily [**insert relevant overnight reference rate**] of 0.00 per cent p.a. will be applied, should such Compounded Daily [**insert relevant overnight reference rate**] be below 0.00 per cent p.a.,] [*in case of multiplication with a factor, insert:*, multiplied by the [positive][negative] Factor [and subsequently]] [*in case of a Margin insert:* [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [*per annum*] [**insert other time period**].

The Compounded Daily [**insert relevant overnight reference rate**] means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] as follows, and the resulting percentage will be

rounded, if necessary, to the [fifth] [•] decimal place, with [0.000005] [•]% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{r_{i-\text{pBD}} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

“**Applicable Period**” means [if the *Observation Method* is *lag*: the Interest Period][if the *Observation Method* is *observation shift*: the Observation Period].

“**BD**” means a [other compounded daily overnight reference rate-][€STR-]Business Day.

“**D**” means [insert the relevant number of days] and represents the number of days in the year used for the calculation of the Rate of Interest.

“**d**” means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

“**d<sub>0</sub>**” means, for the relevant Applicable Period, the number of [other compounded daily overnight reference rate-][€STR-]Business Days in such Applicable Period.

“**i**” means for the relevant Applicable Period, a series of whole numbers from one to “**d<sub>0</sub>**”, each representing the relevant [other compounded daily overnight reference rate-][€STR-]Business Day in chronological order from, and including, the first [other compounded daily overnight reference rate-][€STR-]Business Day in such Applicable Period.

“**n<sub>i</sub>**” for any Business Day “**i**” in the Applicable Period, means the number of calendar days from, and including, such [ other compounded daily overnight reference rate-][€STR-]Business Day “**i**” up to but excluding the following [other compounded daily overnight reference rate-][€STR-]Business Day.

“**Observation Method**” means [lag][observation shift].

“**Observation Period**” means, in respect of the relevant Interest Period, the period from, and including, the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to such earlier date, if any, on which the Notes become due and payable).

“**p**” means, for any Applicable Period, [insert number] [other compounded daily overnight reference rate-][€STR-]Business Days (provided that “**p**” shall not be less than five [other compounded daily overnight reference rate-][€STR-]Business Days without the prior written agreement of the Calculation Agent or, if no such number is specified five [other compounded daily overnight reference rate-][€STR-]Business Days).

“**r**” means:

[where “[insert other compounded daily overnight reference rate]” is specified as the relevant overnight reference rate in respect of any [other compounded daily overnight reference rate]-Business Day, the [other compounded daily overnight reference rate] in respect of such [other compounded daily overnight reference rate]-Business Day.]

[where “**€STR**” is specified as the relevant overnight reference rate, in respect of any €STR-Business Day, the €STR in respect of such €STR-Business Day.]

“**r<sub>(i-pBD)</sub>**” means the applicable Reference Rate as set out in the definition of “**r**” above for, *[where lag is specified as the Observation Method: the [other compounded daily overnight reference rate-][€STR-]Business Day (being a [other compounded daily overnight reference rate-][€STR-]Business Day falling in the relevant Observation Period) falling “p” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “i”].[otherwise: the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “i”].]*

*[In the case of [short] [long] first Floating Interest Period and if interpolation is applicable, insert:*

(This shall not apply for the Floating Interest Period which ends with the First Floating Coupon Date (the “**Interpolated Floating Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Floating Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Floating Interest Period.))

*[In the case of [short] [long] last Floating Interest Period and if interpolation is applicable, insert:*

(This shall not apply for the Floating Interest Period which ends with the Last Floating Coupon Date (the “**Interpolated Floating Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Floating Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Floating Interest Period.))

[“**Factor**” means a positive or negative number and has been determined [for the [first] [●] Interest Period] as [+][-] [insert number] [insert further].]

[“**Margin**” corresponds to a surcharge or disagio in percentage points and has been determined [for the [first] [●] Interest Period] as [●] [for the [●] Interest Period] as [●] [insert further].]

**[Continuation of general terms and conditions for floating interest:**

[(3)][(4)] *Default Amount.* The Calculation Agent will, on or as soon as practicable after [the][each] time at which the Floating Rate of Interest is to be determined, determine the Floating Rate of Interest and calculate the amount of interest (the “**Interest Amount**”) payable on the Subordinated Notes for the relevant Floating Interest Period. The relevant Interest Amount shall be calculated by applying the Floating Rate of Interest and the Day Count Fraction (as defined below) to [the outstanding aggregate principal amount of the Subordinated Notes] [the Specified Denomination] and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(●)] *Notification of Floating Rate of Interest and Interest Amount.*

*[In case of interest determination in advance, insert:*

The Calculation Agent will cause the Floating Rate of Interest[, each Interest Amount for each Floating Interest Period,] [and] each Floating Interest Period [and the relevant Floating Interest Payment Date].

- (i) to be notified to the Issuer[, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than [the second] [●] Business Day prior to the commencement of the [relevant] Floating Interest Period] [first day of the [relevant] Floating Interest Period] [insert other time], and
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Subordinated Notes are listed will be made to the extent provided for by such rules.]

Each Interest Amount and each Floating Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Interest Period. Any such amendment will be promptly notified to the Issuer [, the Clearing System,] [any stock exchange on which the Subordinated Notes are then listed], [any Paying Agent] and to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).]

**[In case of interest determination in arrear, insert:]**

The Calculation Agent will cause the Floating Rate of Interest[, each Interest Amount for each Floating Interest Period,] [and] each Floating Interest Period [and the relevant Floating Interest Payment Date]

- (i) [to be notified to the Issuer, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than the [[●] Business Day prior to the expiry of the relevant Floating Interest Period] [[the second] [●] Business Day prior to the Floating [Coupon Date] [Interest Payment Date] of the [relevant] Floating Interest Period] **[insert other time]**, and]
- [(i) to be notified to the Issuer [, the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange] on the day which is two (2) Business Days after the end of the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[specify other date]**, and]
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Subordinated Notes are listed will be made to the extent provided for by such rules.]

**[In case of Subordinated Zero Coupon Notes, insert:]**

- (1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Subordinated Notes. The Amortisation Yield[s] [is][are] **[insert Amortisation Yield]**

**[In the case of different Amortisation Yields for individual Interest Periods, set forth applicable provisions (including fallback provisions) herein]**

**[Continuation of general terms and conditions for interest:]**

[(●)] *Accrual of Interest and Default Interest.* If the Issuer shall fail to redeem the Subordinated Notes when due, interest shall accrue on the [principal amount][redemption amount] of the Subordinated Notes from (and including) the due date to (but excluding) the date of actual redemption of the Subordinated Notes at the default rate of interest established by law.<sup>1</sup>

[(●)] *Day Count Fraction.* “**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Subordinated Note for any period of time (the “**Calculation Period**”):

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<sup>1</sup> According to paragraphs 288(1) and 247 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”), the default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank semi-annually.



***[If Actual/Actual (ICMA Rule 251) is applicable, insert:***

The Calculation Period will be calculated on the following basis:

- (a) if the Calculation Period is equal to or shorter than the Determination Period (as defined below) during which it falls (including in the case of short coupons), the Calculation Period will be the number of days in the Calculation Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
- (b) if the Calculation Period is longer than one Determination Period (long coupon), the Calculation Period will be the sum of:
  - (i) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
  - (ii) the number of days in such Calculation Period falling in the next Determination Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year].]

Where:

**“Determination Period”** means the period from and including [insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)] in any year to but excluding the next [insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)] (Actual/Actual (ICMA Rule 251)).]

***[If Actual/Actual (ISDA), insert:***

the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365) (Actual/Actual (ISDA)).]

***[If Actual/365 (Fixed), insert:***

the actual number of days in the Calculation Period divided by 365. (Actual/365 (Fixed)).]

***[If Actual/360, insert:***

the actual number of days in the Calculation Period divided by 360 (Actual/360).]

***[If 30/360 or Bond Basis, insert:***

the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month) (30/360 or Bond Basis).]

***[If 30E/360 or Eurobond Basis, insert:***

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day

of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month) **(30E/360 or Eurobond Basis)**.]

**[If 360/360, insert:**

the number of days in the Calculation Period divided by 360, calculated on the basis of a year of 360 days with twelve 30-day months. **(360/360)**.]

## **§5 Payments**

- (1) (a) *Payment of Principal.* Payment of principal, and any additional amounts, in respect of the Subordinated Notes shall be made[, subject to subparagraph (2) below,] to [the Clearing System or to its order] [the Paying Agent] for credit to the accounts of the relevant account holders [of the Clearing System] [upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Subordinated Notes at the time of payment at the specified office of the Fiscal Agent.

**[In the case of Subordinated Notes other than Subordinated Zero Coupon Notes, insert:**

- (b) *Payment of Interest.* Payment of interest on the Subordinated Notes and any additional amounts shall be made, [subject to subparagraph (2), to the Clearing System or to its order] [Paying Agent] for credit to the relevant account holders [of the Clearing System].

**[In the case of interest payable on a Temporary Global Note, insert:** Payment of interest on Subordinated Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2) to the Clearing System or to its order by the Paying Agent for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 2(2)(b).]

- (2) *[Payment Reference Date.* Payments of amounts due in respect of the Notes shall be made to the Holders shown in the holders' registry as provided by the Clearing System, on the payment reference date (the **"Payment Reference Date"**) which is to be determined as follows:
- (a) regarding payments due in case of acceleration, the date when any notice declaring the Notes due and payable is given by a Holder in accordance with § 10 and
- (b) in relation to any other payments on the Notes, at the close of business on the 15th calendar day before the due date for payment thereof (including the Maturity Date). Any person who acquires a Note between a Payment Reference Date and the corresponding due date for a payment of interest shall not be entitled to receive payment of interest on the Notes for the corresponding interest due date notwithstanding that such person is shown in the holders' registry on the relevant interest due date as the Holder of the Note.

No Holder may transfer its Note(s) during the period from and including [in case of Notes admitted to trading on the spot regulated market or an alternative trading system operated by Bursa de Valori București S.A. insert: the second Business Day prior to] the Payment Reference Date immediately preceding the Maturity Date up to and including the Maturity Date.]

- (2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Subordinated Notes shall be made in the freely negotiable and convertible currency which on the respective due date is the currency of the country of the Specified Currency.
- (3) *[Discharge.* The Issuer shall be discharged by payment to [, or to the order of, the Clearing System] [the Paying Agent] .]

- [(3)][(4)] *Payment Business Day.* If the date for payment of any amount in respect of any Subordinated Note is not a Business Day, then the payability and actual payment date depend on the Business Day Convention as applicable according to subparagraph ([4])[5]). The Holder shall not be entitled to payment until the next such day in the relevant place. Irrespective of the provisions regarding the Interest Period, the Holder shall not be entitled to further interest or other payment in respect of such delay.

**[Insert other Payment Business Day:** Payment Business Day is **[define Payment Business Day]**

[Business Day in this § 5 means any day (other than a Saturday or a Sunday) on which [the Clearing System] [if the Specified Currency is EUR or if TARGET is needed for other reasons insert: [as well as] the Trans European Automated Real time Gross settlement Express Transfer System (TARGET2) (“TARGET”)] [is][are] operational][and] [commercial banks and foreign exchange markets settle payments in **[insert all relevant financial centres].]**

**[Continuation of general terms and conditions :]**

[(4)][(5)] *Business Day Convention.* If the date for payment of any amount in respect of any Subordinated Notes would fall on a day which is not a Business Day, it shall be

**[if Following Business Day Convention, insert:** postponed to the next day which is a Business Day.

**[if Modified Following Business Day Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

**[if Preceding Business Day Convention, insert:** the immediately preceding Business Day.]

**[if FRN Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[insert number]** months] **[insert other specified periods]** after the preceding applicable Interest Payment Date.]

## **§6 Redemption**

(1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Subordinated Notes shall be redeemed at their Final Redemption Amount on **[in case of a specified Maturity Date insert such Maturity Date]** **[in case of a Redemption Month insert:** the [Floating] Interest Payment Date falling in **[insert Redemption Month and Redemption Year]**] (the “Maturity Date”).

(2) *[Final Redemption Amount]:*

**[If the Subordinated Notes are redeemed on the Maturity Date at their principal amount insert:**

The Final Redemption Amount in respect of each Subordinated Note shall be equal to its principal amount.]

**[If the Subordinated Notes are redeemed on the Maturity Date at an amount other than the principal amount insert:**

The Final Redemption Amount in respect of each Subordinated Note shall be **[insert currency]** **[insert amount greater than or equal to the principal amount]** for each Subordinated Note.]

(3) *No Early Redemption at the Option of the Holder.*

The Holders do not have a right to demand the Early Redemption of the Subordinated Notes.

**[If the Notes are subject to Early Redemption for reasons of taxation insert:**

(4) *Early Redemption for Reasons of Taxation.*

*Early Redemption for Reasons of Taxation to the extent of and for as long as the Subordinated Notes qualify as Tier 2 Instruments*

To the extent of and for as long as the Subordinated Notes qualify as Tier 2 Instruments the Issuer may call the Subordinated Notes for redemption at any time, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 6([(7)][(8)]), and redeem the Subordinated

Notes early at their Early Redemption Amount (as defined below), [together with interest (if any) accrued to (but excluding) the date fixed for Early Redemption] on the date fixed for Early Redemption, if the Issuer is or will be required to pay additional amounts on the next Interest Payment Date, as a result of any changes or amendments of the Romanian laws and regulations or any change at the level of any Romanian authority having fiscal competences or any changes in the official applicability or interpretation of such laws or regulations (including relevant court decisions) and such changes or amendments become applicable on or after the Issue Date and such obligation cannot be avoided by the Issuer by taking reasonable measures at its disposal ("**Early Redemption for Tax Purposes Event**") and provided that the relevant conditions laid down in § 6[(6)][(7)] (Conditions to Early Redemption and Repurchase) are met.

*Early Redemption for Reasons of Taxation to the extent of the Subordinated Notes do not qualify as Tier 2 Instruments*

To the extent the Subordinated Notes do not qualify as Tier 2 Instruments, but qualify as eligible liabilities for the purposes of the Capital Regulations, the Issuer may call the Subordinated Notes for redemption at any time, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 6[(7)][(8)], and redeem the Subordinated Notes early at their Early Redemption Amount (as defined below), [together with interest (if any) accrued to (but excluding) the date fixed for Early Redemption] on the date fixed for Early Redemption, if there is an Early Redemption for Tax Purposes Event and provided that the relevant conditions laid down in § 6[(6)][(7)] (Conditions to Early Redemption and Repurchase) are met.]

**[If Notes are subject to Early Redemption at the Option of the Issuer:**

(5) *[Early Redemption at the Option of the Issuer.*

The Issuer may call the Subordinated Notes for Early Redemption, in whole but not in part, upon giving not more than [60] **[insert other number]** [Business Days] [days] nor less than [30] **[insert other number]** [Business Days] [days] prior notice in accordance with § 6[(7)][(8)] effective [as of the [respective] Call Redemption Date (as defined below)][on a [Business Day][day] at the option of the Issuer], and redeem the Subordinated Notes early at the [respective] Call Redemption Amount [together with interest accrued to (but excluding) the [relevant] Call Redemption Date] on [the [respective] Call Redemption Date][each [Business Day][day]], provided that the conditions laid down in § 6[(6)][(7)] (*Conditions to Early Redemption and Repurchase*) are met.]

**[In case that the Notes shall be redeemed on a certain [Business Day] [day], insert:** Call Redemption Date[s] [is the following date:] [are the following dates:] [insert specific Call Redemption Date[s]] [each [Business Day] [•] during the period from and including [•] to (and including) [•]] [and each Coupon Date thereafter].]

[Call Redemption Amount[s]] [is] [are] **[insert Call Redemption Amount[s]]** [for the [following] Call Redemption Date[s] **[insert Call Redemption Date[s]]** [[•]].

[Such a redemption has to be made [at least] [at most] in the amount of [•] per cent of the principal amount of the Notes.]

**[If the Notes are subject to Early Redemption for regulatory reasons insert:**

[(5)][(6)] *[Early Redemption for Regulatory Reasons.*

The Issuer may call the Subordinated Notes for Early Redemption at any time, in whole but not in part, upon giving not more than [60] **[insert other number]** [Business Days] [days] nor less than [30] **[insert other number]** [Business Days] [days] prior notice in accordance with § 6[(7)][(8)] early and redeem the Subordinated Notes at their Early Redemption Amount (as defined below), [together with interest (if any) accrued to but excluding the date fixed for Early Redemption] on the date fixed for Early Redemption, if [(i)] there is a change in the regulatory classification of the Subordinated Notes that would be likely to result in their exclusion from own funds (as such terms is defined in the Capital Regulations) in full or reclassification as a lower quality form of own funds [or (ii) the Subordinated Notes, to the extent that,

pursuant to Article 64 CRR, a portion thereof does no longer qualify as Tier 2 item but, pursuant to Article 72a(1)(b) CRR, as an eligible liabilities item, that portion does no longer comply with the minimum requirements for eligible liabilities (MREL) (the "**MREL Requirement**") which are, or, as the case may be, will be, applicable to the Issuer and/or the Issuer's MREL Group in accordance with:

- (a) Article 45 of the BRRD (as defined herein) as amended, and any applicable national law, as amended, implementing the BRRD; or
- (b) Article 12 of the Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, as amended,

except where such non-compliance would only be based on the remaining maturity of the Subordinated Notes being less than any period prescribed in the applicable MREL regulations or any applicable limits on the amount of eligible liabilities instruments being exceeded.

Where:

**"Issuer's MREL Group"** means the Issuer and its subsidiaries which have to comply with the MREL Requirement on a group basis.]

Any early redemption shall only be possible if the conditions laid down in § 6[(6)][(7)] (*Conditions to Early Redemption and Repurchase*) are met.]

[(6)][(7)] Conditions to Early Redemption and Repurchase.

*Conditions to Early Redemption and Repurchase to the extent of and for as long as the Subordinated Notes qualify as Tier 2 Instruments*

To the extent of and for as long as the Subordinated Notes qualify as Tier 2 Instruments any Early Redemption pursuant to this § 6 and any repurchase pursuant to § 13(2) are subject to:

- (a) the Issuer having obtained the prior permission of the Competent Authority (as defined below) for the Early Redemption or any repurchase pursuant to § 13(2) in accordance with the Articles 77 and 78 CRR, if applicable to the Issuer at that point in time; and in
- (b) the case of any Early Redemption or repurchase prior to the fifth anniversary of the date of issuance of the Subordinated Notes, in addition, if applicable to the Issuer at that point in time: in
  - (i) case of an Early Redemption for reasons of taxation pursuant to § 6(4), the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Subordinated Notes; or in
  - (ii) case of an Early Redemption for regulatory reasons pursuant to § 6[(5)][(6)], the Competent Authority considers such change to be sufficiently certain and the Issuer has demonstrated to the satisfaction of the Competent Authority that the relevant change in the regulatory classification of the Subordinated Notes was not reasonably foreseeable as at the date of issuance of the Subordinated Notes; or
  - (iii) in the case of an Early Redemption in circumstances other than as described in item (i) or (ii), either before or at the same time as such action, if (a) the Issuer replaces the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted that action based on the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or (b) the Issuer has demonstrated to the satisfaction of the Competent Authority that its own funds and eligible liabilities would, following such redemption, exceed the requirements laid down in CRR, CRD and BRRD (and/or any other Capital Regulations as may supplement and/or amend

these and/or come into effect in place thereof) by a margin that the Competent Authority may consider necessary.

*Conditions to Early Redemption and Repurchase to the extent the Subordinated Notes do not qualify as Tier 2 Instruments*

To the extent of and for as long as the Subordinated Notes do not qualify as Tier 2 Instruments, but qualify as eligible liabilities for the purpose of the Capital Regulations any Early Redemption pursuant to this § 6 and any repurchase pursuant to § 13(2) are subject to the Issuer having obtained the prior permission of the Resolution Authority (or any other relevant supervisory authority) for the Early Redemption or any repurchase pursuant to § 13(2) in accordance with the Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time and either of the following conditions is met:

- (a) on or before the redemption of the Subordinated Notes, the Issuer replaces the Subordinated Notes with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (b) the Issuer has demonstrated to the satisfaction of the Resolution Authority if such consent is then required under the Capital Regulations, that its own funds and eligible liabilities would, following such redemption, exceed the requirements for own funds and eligible liabilities laid down in CRR, CRD and BRRD (and/or any other Capital Regulations as may supplement and/or amend these and/or come into effect in place thereof) by a margin that the Resolution Authority, acting in agreement with the Competent Authority, may consider necessary; or
- (c) the Issuer has demonstrated to the satisfaction of the Resolution Authority if such consent is then required under the Capital Regulations, that the partial or full replacement of the Subordinated Notes with own funds instruments is necessary to ensure compliance with own fund requirements laid down in CRR and CRD (and/or other Capital Regulations as may supplement and/or amend these and/or come into effect in place thereof) for continuing authorization.

Notwithstanding the above conditions, if, at the time of any Early Redemption or repurchase, the prevailing Applicable Law applicable to the Issuer permit the Early Redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as appropriate, additional pre-conditions, if any.

For the avoidance of doubt, any refusal of the Competent Authority (or any other relevant supervisory authority) to grant any required permission, approval or other consent shall not constitute a default for any purpose.

Where:

**"Applicable Law"** means the legislation of Romania and the European Union as applicable in Romania (including secondary or delegated legislation, and any regulations, decisions or rules of any public authority which are legally binding) in force, as the same may be amended or replaced from time to time.

**"BRRD"** means 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, as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the BRDD include references to any applicable provisions of law amending or replacing such articles from time to time.

**"Capital Regulations"** means, at any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity for credit institutions of either (i) the National Bank of Romania and/or (ii) any other national or European authority, in each case then in effect in Romania and applicable to the Issuer,

including, as at the date hereof, CRR, CRD, BRRD, as well as any delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority, each as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Terms and Conditions to relevant articles of the Capital Regulations include references to any applicable provisions of law amending or replacing such articles from time to time.

**"Competent Authority"** means the competent authority pursuant to Article 4(1)(40) CRR which is responsible to supervise the Issuer on an individual and/or consolidated basis, including as at the date of this Prospectus, the National Bank of Romania.

**"CRD"** means 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 as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the CRD include references to any applicable provisions of law amending or replacing such articles from time to time.

**"CRR"** means the 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 (Capital Requirements Regulation), as amended or replaced from time to time, and any references in these Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

**"Resolution Authority"** means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for recovery or resolution of the Issuer on an individual and/or consolidated basis, including as at the date of this Prospectus, the National Bank of Romania.

[(7)][(8)] *Early Redemption Notice.*

- (a) •the indication of the Series of Subordinated Notes that is to be redeemed;
- (b) the Call Redemption Date or] [the date of Early Redemption]; and
- (c) [the [Early][Final] [Call] Redemption [Amount] at which the Subordinated Notes are redeemed].

**[In the case of Subordinated Notes other than Zero Coupon Notes:**

[(8)][(9)] *Early Redemption Amount.*

For the purposes of [§ 1 (Definitions),] § 6(4) (Early Redemption for Reasons of Taxation) and § 6([5][6]) (Early Redemption for Regulatory Reasons), the Early Redemption Amount of a Subordinated Note is equal to the [Final Redemption Amount] pursuant to this § 6 (2)] **[insert other rate or amount].]**

**[In the case of Subordinated Zero Coupon Notes:**

[(8)][(9)] *Early Redemption Amount.*

- (d) For purposes of § 6(4) (Early Redemption for Reasons of Taxation) and § 6([5][6]) (Early Redemption for Regulatory Reasons), the Early Redemption Amount of a Subordinated Note shall be equal to the Amortised Face Amount of the Subordinated Note in accordance with § 6[•].
- (e) **[In the case of accrued interest being added:** The amortised face amount ("**Amortised Face Amount**") of a Subordinated Note shall be an amount equal to the sum of:
  - (i) **[Reference Price]** (the "**Reference Price**"), and
  - (ii) the product of the Amortisation Yield being **[insert Amortisation Yield]** (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding)

the date fixed for redemption or (as the case may be) the date upon which the Subordinated Notes become due and payable].

**[In the case of unaccrued interest being deducted:** The amortised face amount ("**Amortised Face Amount**") of a Subordinated Note shall be the principal amount thereof adjusted for interest from (and including) the Maturity Date to (but excluding) the date of final repayment by the Amortisation Yield, being [insert Amortisation Yield]. Such calculation shall be made on the assumption of an annual capitalisation of accrued interest.]

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year (the "**Calculation Period**") shall be made on the basis of the Day Count Fraction (as defined in § 4[•]).

- (f) If the Issuer fails to pay the Early Redemption Amount when due, the Amortised Face Amount of a Subordinated Note shall be calculated as provided herein, except that references in subparagraph (e)(ii) above to the date fixed for redemption or the date on which such Subordinated Note becomes due and repayable shall refer to the earlier of (i) the date on which upon due presentation and surrender of the relevant Subordinated Note (if required), payment is made, and (ii) the fourteenth day after notice has been given by the Fiscal Agent in accordance with § 14 (Notices / [No] Stock Exchange Listing) that the funds required for redemption have been provided to the Fiscal Agent.]

([•]) *Rounding of Redemption Amounts:* Redemption Amounts are rounded to [insert number] decimals.

## §7 Agents

- (1) *Appointment; Specified Offices.* The initial agents (the "**Agent**") and their respective specified offices are:

**"Fiscal Agent":**

[The Bank of New York Mellon, London Branch]

**[other/further Fiscal Agent]**

**"[Principal] Paying Agent":**

[The Bank of New York Mellon, London Branch]

**[other/additional [Principal] Paying Agent/specified office(s)]**

**"[Calculation Agent]":**

[The Fiscal Agent shall also act as Calculation Agent.]

[Calculation Agent is: **[Insert name and address of Calculation Agent]]]**

[Other Agents: **[insert other Agents]]**

Any Agent named above reserves the right at any time to change its respective specified [office] to some other [office].

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Agent named above and to appoint another Fiscal Agent/Paying Agent or additional or other Agents in accordance with all applicable regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days' prior notice thereof shall have been given to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).
- (3) *Agents of the Issuer.* The Agents named above act solely as agent of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.]



[(3)][(4)] *Determinations Binding.* All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Conditions by any Agent shall (in the absence of manifest error) be binding on the Issuer and all other Agents/agents and the Holders.

## **§8 Taxation**

- (1) *Taxation.* All amounts payable in respect of the interest under the Subordinated Notes will be made by the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by Romania or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

If such withholding or deduction is required by law, the Issuer shall withhold or deduct from amounts payable in respect of the Subordinated Notes to a Holder sufficient funds for the payment of any tax that it is required to withhold or deduct under Romanian law and shall not pay such additional amounts to the Holder in respect of such withholding or deduction.

At least 5 Business Days prior to the relevant interest payment date, the Issuer will receive from the Holders through the relevant ICSD(s) and/or intermediaries and custodians via the Fiscal Agent information as regards the identity and residency for tax purposes of any Holder. On the basis of such information, the Issuer will determine the applicability of the withholding or deduction required by Romanian law.

If such withholding or deduction is required by law and the Issuer withholds or deducts from amounts payable in respect of the Notes to a Holder the necessary funds for the payment of any tax that it is required to withhold or deduct under Romanian law, the Issuer shall (subject to the applicable law and upon the relevant Holder’s request) provide that Holder with the relevant documents required for the Holder to request from the competent Romanian tax authority the certificate evidencing such withholding in Romania (*certificatul de atestare a impozitului plătit de nerezident*).

Any endeavour to adjust the supplementary income tax paid or in order to obtain reimbursement of such supplementary income tax paid shall be incumbent on the Holder.

For greater clarity, no additional amounts will be payable on account of any Taxes which:

- (a) are payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or distributions made by it; or
  - (b) are payable by reason of the Holder having, or having had, some personal or business connection with Romania; or
  - (c) are withheld or deducted, if such payment could have been effected by another custodian bank or collecting agent without such withholding or deduction; or
  - (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § [14] (Notices / [No] Stock Exchange Listing), whichever occurs later; or
  - (e) would not be payable if the Holder is able to avoid such a withholding or deduction providing a certificate of residence, certificate of exemption or any other similar documents.
- (2) *FATCA Withholding.* The Issuer will be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA Withholding**”). The Issuer will have no obligation to pay additional amounts or otherwise

indemnify a Holder, beneficial owner or other intermediary for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

## **§9 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”) in relation to the Subordinated Notes is [(i)] [reduced to] [ten] [**insert other number of years**] [years] [unlimited] in respect of principal[.] [and (ii)] [limited to] [four] [**insert other number of years**] [years] [unlimited] in respect of interest[.].

## **§10 Events of Default**

The holder(s) shall not have the right to accelerate the future scheduled payment of interest or principal under the Subordinated Notes, other than in the insolvency (*faliment*) or liquidation (*lichidare*) of the Issuer.

To the maximum permitted by applicable laws, the holder(s) shall not have the right to accelerate the future scheduled payment of interest or principal under the Subordinated Notes in case an early intervention (*intervenție timpurie*) measure, a resolution (*rezoluție*) measure, a moratorium or any other action or measure that may be taken against the Issuer pursuant to the Romanian Recovery and Resolution Act.

## **§11 Substitution**

[This paragraph is intentionally left blank.]

## **§12 Amendment of the Conditions, Holders’ Representative**

- (1) *Amendment of the Conditions.* In accordance with the German Act on Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – “**SchVG**”) the Holders may agree with the Issuer on amendments of the Conditions, subject to the consent by the Competent Authority (or any other relevant supervisory authority), if and to the extent required, with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph 2. Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously. There will be no amendment of the Conditions without the Issuer’s consent.
- (2) *Majority.* Resolutions shall be passed by a majority of not less than 75 per cent of the votes cast. Resolutions relating to amendments of the Conditions which are not material and which do not relate to the matters listed in § 5 paragraph 3, Nos. 1 to 8 of the SchVG require a simple majority of the votes cast
- (3) *Vote without a Meeting.* All votes will be taken exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18 paragraph 4 sentence 2 of the SchVG.
- (4) *Chair of the Vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders’ Representative has convened the vote, by the Holders’ Representative.
- (5) *Voting Rights.* Each Holder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Subordinated Notes.
- (6) *Holdes’ Representative.*

[**If no Holders’ Representative is designated in the Conditions:** The Holders may by majority resolution appoint a common representative (the “**Holdes’ Representative**”) to exercise the Holders’ rights on behalf of each Holder.]

[**If the Holdes’ Representative is appointed in the Conditions:** The common representative (the “**Holdes’ Representative**”) shall be [**insert Name of the Holdes’ Representative**]. The liability of the Holdes’

Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted wilfully or with gross negligence.]

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

### **§13 Further Subordinated Issues, Repurchases and Cancellation**

- (1) *Issue of further Subordinated Notes.* The Issuer may until **[insert date]** without the consent of the Holders subject to regulatory and other statutory provisions, issue further Subordinated Notes having the same Conditions as the Subordinated Notes in all respects (or in all respects except for the issue date, issue price and the first interest payment) so as to form a single series with this tranche of series **[insert series]**.
- (2) *Repurchases.* Provided that the conditions laid down in § 6[(6)][(7)] are met, the Issuer may at any time repurchase Notes in any market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or, subject to compliance with statutory prerequisites, **[cancelled]** **[surrendered to the [Fiscal Agent] for cancellation]**.

### **§14 Notices / [No] Stock Exchange Listing**

- (1) [The Issuer shall deliver all notices concerning the Subordinated Notes [to the Clearing System] for communication [by the Clearing System] to the Holders. Any such notice shall be deemed to have been given to the Holders on the **[number of days]** day after the day on which said notice was given to the [Clearing System] [in **[Insert Medium]**].

[(1)][(2)] [If the Subordinated Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, notices shall be published in accordance with the rules and regulations of such listing authority, stock exchange and/or quotation system. [As long as the Subordinated Notes are listed on the Luxembourg Stock Exchange, notices concerning the Subordinated Notes will be published on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu) or such other website or other medium for the publication of notices as required in accordance with the rules and regulations of the Luxembourg Stock Exchange.]

Any such notice shall be deemed to have been validly given to the Holders on the day of such publication.]

[A listing on a stock exchange is not envisaged.]

[(1)][(2)][(3)] The Issuer will [also] publish notices [on its website [www.raiffeisen.ro](http://www.raiffeisen.ro)[/•] for Debt Investors] [and] [in a leading daily newspaper having general circulation in [Romania][Luxembourg][**insert other country**]]. This newspaper is expected to be the **[insert newspaper]**. Any notice so given will be deemed to have been validly given on the **[insert number of days]** day following the date of such publication.]

[(2)][(3)][(4)] Any notice so given [, except in case of subparagraph [(1)][(2)],] will be deemed to have been validly given if published more than once, on the **[insert number of days]** day after the date of the first such publication.]

[(2)][(3)][(4)][(5)] *Form of Notice of Holders.* Notices to be given by any Holder shall be made in writing in the English or German language. The notice must be accompanied by proof that such notifying Holder is holder of the relevant Subordinated Notes at the time of the giving of such notice. Proof may be made by means of a certificate of the Custodian (as defined in § [15](3) (*Final Provisions*)) or in any other appropriate manner. So long as Subordinated Notes are securitised in the form of a Global Note, such notice may be given by the Holder to the Fiscal Agent through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.]

## §15 Final Provisions

- (1) *Applicable Law.* The Notes, as to [form and] content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law. The status provisions in § 3 (*Status*) shall be governed by, and shall be construed exclusively in accordance with, Romanian law.
- (2) *Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main, Germany, shall have non-exclusive jurisdiction for any action or other legal proceedings (“**Proceedings**”) arising out of or in connection with the Subordinated Notes.
- (3) *Enforcement.* Any Holder of Subordinated Notes may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Subordinated Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Subordinated Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Subordinated Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the Subordinated Notes in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Subordinated Notes. For purposes of the foregoing, “**Custodian**” means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Subordinated Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Subordinated Notes also in any other way which is admitted in the country of the proceedings.
- (4) *Language.* These Conditions are written in the English language only.

## TERMS AND CONDITIONS FOR ELIGIBLE NOTES

### OPTION III - TERMS AND CONDITIONS FOR ELIGIBLE NOTES

#### §1 Definitions

“**Conditions**” means these Terms and Conditions of the Notes as completed.

*[If Reference Interest Rate is applicable, insert:]*

“**Screen Page** **[[•]]**” means [REUTERS Screen Page [EURIBOR01] [ROBOR=] **[insert Screen Page and additional information if necessary]** or each successor page.]

“**Clearing System**” means *[if more than one Clearing System insert: each of]:* [Clearstream Banking, S.A., Luxembourg, (“**CBL**”)] [,] [and] [Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”)] [(CBL and Euroclear are each an “**ICSD**” (International Central Securities Depository) and together the “**ICSDs**”)] [,] [and] [Depozitarul Central SA as clearing system for the Notes listed at Bucharest Stock Exchange].

[“**Business Day**” means any day (other than a Saturday or a Sunday) on which [the Clearing System] *[if the Specified Currency is EUR or if TARGET is needed for other reasons insert: [as well as] the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) (“**TARGET**”)] [is] [are] operational] *[if the Specified Currency is not EUR or if needed for other reasons insert: [and] commercial banks and foreign exchange markets settle payments in [all relevant financial centres].]**

“**Holder**” means any holder of a co-ownership interest or other beneficial interest or right in the Notes.

*[If Reference Rate is applicable, insert:]*

“**Reference Rate**” means a value, [which][the performance of which] deter-mines [the height of a/the ] [floating interest rate(s)] [and][or] [the Redemption Amount][and][or][if any interest will be paid for a certain interest period][and] [or] [the maturity of the Notes][**insert any other legal consequence**] (i.e. an interest rate, an exchange rate, etc.)]

*[If the Reference Rate is an Interest Rate, insert:]*

“**Reference Interest Rate**” means the offered quotation for the **[number]**-month [EURIBOR] [ROBOR] [€STR] **[insert other reference interest rate]** which appears on the Screen Page as of [11.00 a.m.] **[insert other relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day].**

*[For EURIBOR or any other Reference Rate other than a compounded daily overnight reference rate, insert:]*

If – other than in case of a Discontinuation Event (as defined below) - the relevant Screen Page is not available or if no such quotation appears as at such time, the Issuer shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *[per annum]*) **[insert other period]** for the Reference Interest Rate at approximately [11.00 a. m.] **[insert relevant time]** (**[insert relevant time zone]**) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]**. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Interest Rate [for such Interest Period] shall be the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth])**[insert other rounding rules]** of a percentage point, with [0.0005][0.00005] [0.000005]**[insert other rounding rules]** being rounded upwards) of such offered quotations[, however at least 0.00 per cent p.a.], all as determined by the Calculation Agent.

If on any [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] **[determine other day]** only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Reference Interest Rate [for the relevant Interest Period] **[determine other event]** shall be the rate *[per annum]* **[insert other time period]** which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one [thousandth] [ten-thousandth] [hundred-thousandth]) **[insert other rounding rules]** of a percentage point, with [0.0005][0.00005][0.000005]**[insert other rounding rules]** being

rounded upwards) of the rates, as communicated at the request of the Issuer to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m.][insert relevant time] ([insert relevant time zone]) on the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day], deposits in the Specified Currency for the relevant Interest Period by leading banks in the [insert financial centre] interbank market [in the Euro-Zone] [, however at least 0.00 per cent p.a.].

If the Reference Interest Rate cannot be determined in accordance with the foregoing provisions the Issuer will determine the Reference Interest Rate [for the relevant Interest Period] [define other event] at its equitable discretion according to § 317 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”) and also having regard to the operational requirements of the Calculation Agent. The Issuer shall notify the Calculation Agent of any determination made by it under this Conditions.

“**Reference Banks**” means the offices of not less than [four] [insert other number] major banks in the [relevant] [insert relevant financial centre] interbank market [in the Euro-Zone].]

*[For €STR insert:*

“**€STR**” means, in respect of any €STR-Business Day, a reference rate equal to the daily euro short-term rate for such €STR-Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the “**ECB’s Website**”) in each case, on or before 9:00 a.m., (Central European Time) on the €STR-Business Day immediately following such €STR-Business Day.

Notwithstanding the paragraph above, in the event the European Central Bank publishes guidance as to (i) how €STR is to be determined or (ii) any rate that is to replace €STR, the [Calculation Agent] [•] shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine €STR for the purpose of the Notes for so long as €STR is not available or has not been published by the authorised distributors.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions by the [Calculation Agent] [•], the Interest Rate shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date.

Where:

“**€STR-Business Day**” means any day which is a TARGET Business Day.]

*[For EURIBOR or an other Reference Interest Rate other than a compounded daily overnight reference rate, insert:*

*Reference Interest Rate replacement in case of a Discontinuation Event.* If the Issuer determines in its reasonable discretion (i) it becomes unlawful for the Issuer or the Calculation Agent to use the Reference Interest Rate, or (ii) the administrator of the Reference Interest Rate ceases to calculate and publish the Reference Interest Rate permanently or for an indefinite period of time, or (iii) the administrator of the Reference Interest Rate becomes insolvent or an insolvency, a bankruptcy, restructuring or similar proceeding (affecting the administrator) is commenced by the administrator or its supervisory or regulatory authority, or (iv) the Reference Interest Rate is otherwise being discontinued or otherwise ceases to be provided (each of the events in (i) through (iv) a “**Discontinuation Event**”), the Reference Interest Rate shall be replaced, on [the] [each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day(s)], by a rate determined or procured, as the case may be, by the Issuer (the “**Successor Reference Interest Rate**”) according to the following paragraphs in the order of I)-III):

- (I) The Reference Interest Rate shall be replaced with the reference rate, which is determined by any applicable law or regulation or announced by the administrator of the Reference Interest Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Interest Rate and the source of which is accessible to the Calculation Agent. The Issuer shall thereafter inform the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day] and, subsequently the Holders of the Notes in accordance with § 14. [If, on any previous [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**], the Successor Reference Interest Rate was also determined in accordance with the provisions of paragraph I), no [other] publication obligations will apply for the Issuer in connection with such Successor Reference Rate or any adjustments or changes made in relation thereto or relating to the determination of the [Rate of Interest] [or] [the] [Interest Amount] [**determine other rate or amount**] as set out below;]
- (II) An Independent Advisor will in its reasonable discretion (*billiges Ermessen*) choose a successor reference rate that is most comparable to the Reference Interest Rate, provided that if the Independent Advisor determines that there is an industry accepted reference rate as being most comparable to the Reference Interest Rate, then the Independent Advisor will use such reference rate as successor reference rate (the “**Successor Reference Rate**”) and determine which screen page or source shall be used in connection with such Successor Reference Rate (the “**Successor Screen Page**”). Provided that such Successor Screen Page is accessible to the Calculation Agent, any reference to the Screen Page herein shall from the date of the determination of the Successor Reference Rate on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply mutatis mutandis. The Independent Advisor will notify and the Calculation Agent at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] the Issuer about such determinations. The Issuer shall thereafter inform the Holders of the Notes in accordance with § 14.

Further and in addition to any replacement of the Reference Interest Rate with a Successor Reference Interest Rate in accordance with the above provisions I) or II) the Issuer (acting in good faith and in a commercially reasonable manner) may specify (i) an interest adjustment factor or fraction or spread (to be added or subtracted) which shall be applied to the Successor Reference Interest Rate, for the purpose of achieving a result which is consistent with the economic substance of the Reference Interest Rate before the Discontinuation Event occurred, and (ii) any further changes necessary for determining the [Rate of Interest and calculating the Interest Amount][determine other rate/amount] in order to follow market practice in relation to the Successor Reference Interest Rate [(such as the Day Count Fraction, the Business Day Convention, Business Days, the Interest Determination Dates, the method of calculating the Interest Amount)]. Thereafter, the Issuer shall thereafter inform the Calculation Agent at least 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and, subsequently the Holders of the Notes in accordance with § 14 (other than in the case set out in paragraph I) above).

- (III) If the source of the successor rate for the Reference Interest Rate determined in accordance with the above provision I) or the Successor Screen Page determined in accordance with the above provision II) is not accessible to the Calculation Agent or if the Independent Advisor fails to determine the Successor Reference Rate at the latest 10 days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] and to notify the Calculation Agent or in the event that the Issuer, having used reasonable endeavours, fails to appoint an Independent Advisor or the period to determine a Successor Reference Interest Rate according to the provisions above was not sufficient, the Issuer will decide in its reasonable discretion (*billiges Ermessen*) and not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] relating to the [next succeeding Interest Period][**determine other event / day**] (the “**Procedures Determination Date**”):
- (a) [that the Reference Interest Rate shall be the offered quotation for the Reference Interest Rate which appeared on the Screen Page, as described above, on the last day preceding the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [**determine other day**] on which such quotations were offered and shall thereafter inform the Holders of the Notes in accordance with § 14[.] [; or]

- (b) redeem the Notes in whole but not in part and subject to the adherence of the Conditions to Early Redemption and Repurchase (as defined in § 6 [(8)][(9)][(10)] and subject to the prior permission of the Resolution Authority, by giving not less than 20 days' notice in accordance with § 14, at the [Final Redemption Amount][Early Redemption Amount] (as defined below pursuant to § 6), together with interest (if any) accrued to (but excluding) the date fixed for such early redemption.

Such notice of redemption shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) the date determined for redemption, which shall be the second [Coupon Date][Interest Payment Date] following the Procedures Determination Date; and
- (iii) the [Final][Early] Redemption Amount.

If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date][**determine other day**] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]]

**“Independent Advisor”** means an independent financial institution of international standing or an independent financial advisor with relevant expertise appointed by the Issuer at its own expense. ]

[**“TARGET Business Day”** means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) (**“TARGET”**) is operational.]

[**“Interest Determination Date”** means the [[second] [insert other applicable number of days] [TARGET][,] [and] [insert all relevant financial centres] Business Day prior to the [commencement] [end] of the relevant Interest Period.]

[first day of the relevant Interest Period.]]

[[•] Business Day prior to [the expiry] [the Coupon Date] of the relevant Interest Period.]]

**“Interest Period”** means the period for which interest is calculated and paid.

## §2 Currency, Denomination, Issue Date(s), Form, Custody

- (1) *Currency – Denomination - Issue Date[s]*. This Series [insert number of the Series and name], [insert Tranche] of Notes (the **“Notes”**) of Raiffeisen Bank S.A. (the **“Issuer”**) is being issued [on [insert Issue Date] (the **“Issue Date”**)] [from [insert Initial Issue Date] (the **“Initial Issue Date”**)] within an open issuance period (**“Open Issuance Period”**) in [insert Specified Currency] (the **“Specified Currency”**) in the aggregate principal amount of [up to][**aggregate principal amount**] (in words: [**aggregate principal amount in words**]) in the denomination of [insert Specified Denomination<sup>4</sup>] (the **“Specified Denomination”**).

- (2) *Form.*

- (a) The Notes are being issued in bearer form.

*[In the case of Notes which are represented by a Permanent Global Note governed by German law, insert:]*

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<sup>4</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes



- (b) *Permanent Global Note governed by German law.* The Notes are represented by a permanent global note (the “**Permanent Global Note**” or the “**Global Note**”) without coupons. The Permanent Global Note shall be signed by duly authorised signatories of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.]

**[In the case of Notes which are initially represented by a Temporary Global Note governed by German law to be exchanged for a Permanent Global Note, insert:**

- (b) Temporary Global Note – Exchange – Permanent Global Note governed by German law.
- (i) The Notes are initially represented by a temporary global note (the “**Temporary Global Note**”) without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the “**Permanent Global Note**” and, together with the Temporary Global Note, the “**Global Notes**” and, each a “**Global Note**”) without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by two duly authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.
- (ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the “**Exchange Date**”) not later than 180 days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U. S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to subparagraph (b) of this § 2(2). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, “**United States**” means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U. S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

- (3) *Custody – Clearing System.* The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

**[In the case that the Global Note is an NGN, insert:** The Notes are issued in New Global Note (“**NGN**”) form and are kept in custody by a common safekeeper on behalf of both ICSDs.]

**[In the case that the Global Note is a CGN, insert:** The Notes are issued in Classical Global Note (“**CGN**”) form and are kept in custody by a common depository on behalf of both ICSDs.]

**[In the case of Euroclear and CBL and if the Global Note is a NGN insert:** The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer’s interest in the Notes) shall be conclusive evidence of the aggregate principal amount of the Notes represented by the Global Note and, for these purposes, a statement issued by ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time. For technical procedure of the ICSDs, in the case of the exercise of a Call Option relating to a partial redemption the outstanding redemption amount will be reflected in the records of the ICSDs as either a nominal reduction or as a pool factor, at the discretion of the ICSDs.

On any redemption in respect of, or purchase by or on behalf of the Issuer and cancellation of, any of the Notes represented by this [(Temporary)] [/][[(Permanent)]] Global Note details of such redemption or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in the records of the ICSDs.]]

### §3 Status

- (1) *Status Eligible Notes.* The Notes shall qualify as Eligible Liabilities Instruments (as defined below).

*Ordinary Senior Eligible Notes:* The obligations under the Notes constitute direct, unsecured and unsubordinated obligations of the Issuer ranking in the event of normal insolvency proceedings (*bankruptcy proceedings*) (*faliment*) or liquidation (*lichidare*) of the Issuer:

- (a) junior to the Issuer's Senior Ranking Obligations, so that in any such event no amounts will be payable in respect of the Notes until the Issuer's Senior Ranking Obligations have been satisfied in full;
- (b) *pari passu* (i) among themselves; and (ii) (subject to any applicable statutory exceptions and without prejudice to the aforesaid) with all other present and future unsecured and unsubordinated instruments or obligations of the Issuer which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Notes; and
- (c) senior to all present or future obligations under (i) Non-Preferred Senior Instruments and any obligations of the Issuer that rank *pari passu* with Non-Preferred Senior Instruments;(ii) all subordinated obligations of the Issuer and (iii) instruments or obligations of the Issuer that result from own funds items of the Issuer.

Where:

**"Issuer's Senior Ranking Obligations"** means all obligations of the Issuer which pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes.

**"Non-Preferred Senior Instruments"** means any obligations of the Issuer which fall or are expressed to fall within the category of obligations described in Article 234<sup>1</sup> of the Romanian Insolvency Act and any other obligations of the Issuer which, to the extent permitted by Romanian law, rank or are expressed to rank *pari passu* with the Non-Preferred Senior Instruments of the Issuer.

**"Romanian Insolvency Act"** means Law no. 85/2014 on insolvency prevention procedures and on insolvency procedure (*Legea 85/2014 privind procedurile de prevenire a insolvenței și de insolvență*), as amended or replaced from time to time and any references in these Conditions to relevant provisions of the Romanian Insolvency Act include references to any applicable provisions of law amending or replacing such provisions from time to time.]

**[In the case of Non-Preferred Senior Eligible Notes, insert:**

*Non-Preferred Senior Eligible Notes:* The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer, provided that they are non-preferred senior obligations of the Issuer under debt instruments which meet the criteria for debt instruments pursuant to § 234<sup>1</sup> of the Romanian Insolvency Act.

In the event of normal insolvency proceedings (bankruptcy proceedings) (*faliment*) or liquidation (*lichidare*) of the Issuer, claims on the principal amount and the interest of the Notes will rank:

- (a) junior to the Issuer's Senior Ranking Obligations, so that in any such event no amounts will be payable in respect of the Notes until the Issuer's Senior Ranking Obligations have been satisfied in full;
- (b) *pari passu*: (i) among themselves; and (ii) with all other present or future Non-Preferred Senior Instruments (other than senior instruments or obligations of the Issuer ranking or expressed to rank senior or junior to the Notes); and

- (c) senior to all present or future claims under: (i) ordinary shares and other Common Equity Tier 1 instruments pursuant to Article 28 CRR of the Issuer; (ii) Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer; (iii) Tier 2 instruments pursuant to Article 63 CRR of the Issuer any other (if any) instruments or obligations of the Issuer that result from own funds items of the Issuer; and (iv) all other subordinated instruments or obligations of the Issuer.

Where:

“**CRR**” means the 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 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references in these Conditions to relevant Articles of the CRR include references to any applicable provisions of law amending or replacing such Articles from time to time.

“**Eligible Liabilities Instruments**” means any (directly issued) debt instruments of the Issuer that qualify as eligible liabilities instruments pursuant to Article 72b CRR and/or to the Romanian Recovery and Resolution Act, as the case may be, which are included in the amount to be complied with for the minimum requirements for own funds and eligible liabilities pursuant to the Romanian Recovery and Resolution Act, including any debt instruments that qualify as eligible liabilities items pursuant to transitional provisions under the CRR and/or the Romanian Recovery and Resolution Act, as the case may be.

“**Issuer’s Senior Ranking Obligations**” means all unsecured and unsubordinated obligations of the Issuer (other than Non-Preferred Senior Instruments) which, in accordance with their terms or pursuant to mandatory provisions of law, rank or are expressed to rank senior to the obligations of the Issuer under the Notes including any present or future claims which are excluded liabilities within the meaning of Article 72a (2) of the CRR.

“**Non-Preferred Senior Instruments**” means any obligations of the Issuer which fall or are expressed to fall within the category of obligations described in Article 234<sup>1</sup> of the Romanian Insolvency Act and any other obligations of the Issuer which, to the extent permitted by Romanian law, rank or are expressed to rank *pari passu* with the Non-Preferred Senior Instruments of the Issuer.

“**Romanian Insolvency Act**” means Law no. 85/2014 on insolvency prevention procedures and on insolvency procedure (*Legea 85/2014 privind procedurile de prevenire a insolvenței și de insolvență*), as amended or replaced from time to time and any references in these Conditions to relevant provisions of the Romanian Insolvency Act include references to any applicable provisions of law amending or replacing such provisions from time to time.

“**Romanian Recovery and Resolution Act**” means the Romanian Law 312/2015 on recovery and resolution of credit institutions and investment firms and for amending and supplementing certain normative acts of financial matter (*Legea 312/2015 privind redresarea și rezoluția instituțiilor de credit și a firmelor de investiții, precum și pentru modificarea și completarea unor acte normative în domeniul financiar*) as amended or replaced from time to time, and any references in these Conditions to relevant provisions of the Romanian Recovery and Resolution Act include references to any applicable provisions of law amending or replacing such provisions from time to time.]

- (2) *No Set-off/Netting; No Security/Guarantee; No Enhancement of Seniority.*

The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution.

The Notes are neither secured, nor subject to a guarantee or any other arrangement that enhances the seniority of the claims under the Notes.

- (3) *Possibility of statutory resolution measures.* Prior to any insolvency (bankruptcy) (*faliment*) or liquidation (*lichidare*) of the Issuer, under the applicable banking resolution provisions, including the Romanian Recovery and Resolution Act, and the Capital Regulations and the Applicable Law, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the

Notes, convert them into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes.

Where:

“**Applicable Law**” means the legislation of Romania and the European Union as applicable in Romania (including secondary or delegated legislation, and any regulations, decisions or rules of any public authority which are legally binding) in force, as the same may be amended or replaced from time to time.

“**BRRD**” means 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, as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the BRRD include references to any applicable provisions of law amending or replacing such articles from time to time.

“**Capital Regulations**” means, at any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity for credit institutions of either (i) the National Bank of Romania and/or (ii) any other national or European authority, in each case then in effect in Romania and applicable to the Issuer, including, as at the date hereof, CRR, CRD, BRRD, as well as any delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority, each as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Terms and Conditions to relevant articles of the Capital Regulations include references to any applicable provisions of law amending or replacing such articles from time to time.

“**CRD**” means 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 as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Conditions to relevant articles of the CRD include references to any applicable provisions of law amending or replacing such articles from time to time.

“**Resolution Authority**” means the resolution authority pursuant to Article 4(1)(130) CRR which is responsible for recovery or resolution of the Issuer on an individual and/or consolidated basis.

#### §4 Interest

[In case of Fixed Rate Notes insert:

(1) *Rate of Interest, Interest Period[s].*

(a) The Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) [insert date] (the “**Interest Commencement Date**”) to (but excluding) the [in case of no adjustment of Interest Period insert: [last] Coupon date] [in case of an adjustment of Interest Period insert: Maturity Date (as defined in § 6(1))].

[An][The] “**Interest Period**” is respectively from (and including) the Interest Commencement Date to (but excluding) the [in case of no adjustment of Interest Period insert: [first] Coupon Date] [in case of an adjustment of Interest Period insert: [first] Interest Payment Date][Maturity Date] [and thereafter from (and including) each [in case of no adjustment of Interest Period insert: Coupon Date] [in case of an adjustment of Interest Period insert: Interest Payment Date] to (but each excluding) [in case of no adjustment of Interest Period insert: the next following Coupon

Date or last Coupon Date] *[in case of an adjustment of Interest Period insert: next following Interest Payment Date or the Maturity Date].*

The Interest Period[s] will be [un]adjusted.

- (b) The rate of interest is [insert Rate of Interest] per cent [*per annum*] [insert other period].
- (2) *Coupon Date[s], Interest Payment Date[s].* Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on [insert Coupon Date(s)] in each year (each such date a “**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on [insert Coupon Date] (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on [insert first Coupon Date]. The last Coupon Date shall be on [insert last Coupon Date].]

Interest on the Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on a Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

*[In the case of [short] [long] Interest Periods insert: [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: [•] [last Coupon Date is: [•]].]*

- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

*[In case of Floating Rate Notes insert:*

- (1) Interest Period[s], Coupon Date[s], Interest Payment Date[s].
- (a) The Notes shall bear interest [annually] [semi-annually] [quarterly] in arrear based on their principal amount during the Interest Period[s] from (and including) [insert Interest Commencement Date] (the “**Interest Commencement Date**”) to (but excluding) the [*in case of no adjustment of Interest Period insert: [last] Coupon Date*] [*in case of an adjustment of Interest Period insert: Maturity Date (as defined in § 6(1)).*

[An][The] “**Interest Period**” is [respectively] from (and including) the Interest Commencement Date to (but excluding) the [*in case of no adjustment of Interest Period insert: [first] Coupon Date*] [*in case of an adjustment of Interest Period insert: [first] Interest Payment Date*] [Maturity Date] [and thereafter from (and including) each [*in case of no adjustment of Interest Period insert: Coupon Date*] [*in case of an adjustment of Interest Period insert: Interest Payment Date*] to (but each excluding) [*in case of no adjustment of Interest Period insert: the next following Coupon Date or last Coupon Date*] [*in case of an adjustment of Interest Period insert: the next following Interest Payment Date or the Maturity Date*].]

The Interest Period[s] will be [un]adjusted.

- (b) *Coupon Date[s].* Interest shall be payable [annually] [semi-annually] [quarterly] in arrear. [Coupon Dates are [in each case] on [insert Coupon Date(s)] [in each year] (each such date a “**Coupon Date**”) and always remain unadjusted.] [Coupon Date is on [insert Coupon Date] (the “**Coupon Date**”) and it remains unadjusted.]

[The first Coupon Date shall be on [insert first Coupon Date]. The last Coupon Date shall be on [insert last Coupon Date].]

- (c) *Interest Payment Date[s].* Interest on the Notes shall be payable on [the] [each] Interest Payment Date.

“**Interest Payment Date**” means such Business Day, on which the interest is in fact due and payable. This may fall on the Coupon Date or may shift to the appropriated Business Day – if the Coupon Date falls on a day which is not a Business Day – based on the application of the adjustment provision as set out in § 5[(4)][(5)][(6)] (Business Day Convention).

[In the case of [short] [long] **Interest Period insert:** [The [first] [last] Interest Period is [shortened] [extended]; [first Coupon Date is: [insert first Coupon Date] [(“First Coupon Date”)] [last Coupon Date is: [insert last Coupon Date] [(“Last Coupon Date”)]].]

**Options for various Reference Rates regarding the rate of interest:**

[In case the rate of interest shall be calculated on the basis of a Reference Interest Rate, insert:

- (2) **Rate of Interest.** The rate of interest (the “**Rate of Interest**”) for [the][each] Interest Period will, except as provided below, be

[For EURIBOR or another Reference Interest Rate other than a compounded daily overnight reference rate, insert:

the Reference Interest Rate[, however, should such Reference Interest Rate be below 0.00 per cent p.a., a Reference Interest Rate of 0.00 per cent p.a. will be applied,] [in case of multiplication with a factor, insert: multiplied by the [positive][negative] Factor [and subsequently]] [in case of a Margin, insert: [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [per annum] [insert other time period].]

[For Compounded Daily €STR or another compounded daily overnight reference rate, insert:

the Compounded Daily [insert relevant overnight reference rate] calculated on a compounded basis for the relevant Interest Period in accordance with the formula below on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day] (as defined below) [whereby a Compounded Daily [insert relevant overnight reference rate] of 0.00 per cent p.a. will be applied, should such Compounded Daily [insert relevant overnight reference rate] be below 0.00 per cent p.a.,] [in case of multiplication with a factor, insert: multiplied by the [positive][negative] Factor [and subsequently]] [in case of a Margin insert: [plus] [minus] the [relevant] Margin], all as determined by the Calculation Agent, expressed as a percentage rate [per annum] [insert other time period].

The Compounded Daily [insert relevant overnight reference rate] means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day] as follows, and the resulting percentage will be rounded, if necessary, to the [fifth] [●] decimal place, with [0.000005] [●]% being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

“**Applicable Period**” means [if the Observation Method is lag: the Interest Period][if the Observation Method is observation shift: the Observation Period].

“**BD**” means a [other compounded daily overnight reference rate-][€STR-]Business Day.

“**D**” means [insert the relevant number of days] and represents the number of days in the year used for the calculation of the Rate of Interest.

“**d**” means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

“**d<sub>o</sub>**” means, for the relevant Applicable Period, the number of [other compounded daily overnight reference rate-][€STR-]Business Days in such Applicable Period.

“**i**” means for the relevant Applicable Period, a series of whole numbers from one to “**d<sub>o</sub>**”, each representing the relevant [other compounded daily overnight reference rate-][€STR-]Business Day in chronological order from, and including, the first [other compounded daily overnight reference rate-][€STR-]Business Day in such Applicable Period.

“**n<sub>i</sub>**” for any Business Day “**i**” in the Applicable Period, means the number of calendar days from, and including, such [other compounded daily overnight reference rate-][€STR-]Business Day “**i**” up to but excluding the following [other compounded daily overnight reference rate-][€STR-]Business Day.

“**Observation Method**” means [lag][observation shift].

“**Observation Period**” means, in respect of the relevant Interest Period, the period from, and including, the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to such earlier date, if any, on which the Notes become due and payable).

“**p**” means, for any Applicable Period, [insert number] [other compounded daily overnight reference rate-][€STR-]Business Days (provided that “**p**” shall not be less than five [other compounded daily overnight reference rate-][€STR-] Business Days without the prior written agreement of the Calculation Agent or, if no such number is specified five [other compounded daily overnight reference rate-][€STR-]Business Days).

“**r**” means:

[where “[insert other compounded daily overnight reference rate]” is specified as the relevant overnight reference rate in respect of any [other compounded daily overnight reference rate]-Business Day, the [other compounded daily overnight reference rate] in respect of such [other compounded daily overnight reference rate]-Business Day.]

[where “€STR” is specified as the relevant overnight reference rate, in respect of any €STR-Business Day, the €STR in respect of such €STR-Business Day.]

“**r<sub>(i-pBD)</sub>**” means the applicable Reference Rate as set out in the definition of “**r**” above for, *where lag is specified as the Observation Method*: the [other compounded daily overnight reference rate-][€STR-]Business Day (being a [other compounded daily overnight reference rate-][€STR-]Business Day falling in the relevant Observation Period) falling “**p**” [other compounded daily overnight reference rate-][€STR-]Business Days prior to the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “**i**”].[otherwise: the relevant [other compounded daily overnight reference rate-][€STR-]Business Day “**i**”].]

**[In the case of [short] [long] first Interest Period and if interpolation is applicable, insert:**

(This shall not apply for the Interest Period which ends with the First Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.))

**[In the case of [short] [long] last Interest Period and if interpolation is applicable, insert:**

(This shall not apply for the Interest Period which ends with the Last Coupon Date (the “**Interpolated Interest Period**”), for which the relevant reference interest rate will be the linear interpolation between the available reference interest rate with the next shorter term than the term of the Interpolated Interest Period

and the available reference interest rate with the next longer term than the term of the Interpolated Interest Period.)]

[“**Factor**” means a positive or negative number and has been determined [for the [first] [•] Interest Period] as [+][-] [insert number] [insert further].]

[“**Margin**” corresponds to a surcharge or disagio in percentage points and has been determined [for the [first] [•] Interest Period] as [•] [for the [•] Interest Period] as [•]] [insert further].]

**[Continuation of general terms and conditions for floating interest:**

[(3)][(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the “**Interest Amount**”) payable on the Notes for the relevant Interest Period. The relevant Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to [the outstanding aggregate principal amount of the Notes] [the Specified Denomination] and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(•)] *Notification of Rate of Interest and Interest Amount.*

**[In case of interest determination in advance, insert:**

The Calculation Agent will cause the Rate of Interest[, each Interest Amount] for each Interest Period, [and] each Interest Period [and the relevant Interest Payment Date]

- (i) to be notified to the Issuer[, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than [the second] [•] Business Day prior to the commencement of the relevant Interest Period] [first day of the relevant Interest Period] [insert other time], and
- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Notes are listed will be made to the extent provided for by such rules.]

Each Interest Amount and each Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer [, the Clearing System,] [any stock exchange on which the Notes are then listed], [any Paying Agent] and to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).]

**[In case of interest determination in arrear, insert:**

The Calculation Agent will cause the Rate of Interest[, each Interest Amount for each Interest Period,] [and] each Interest Period [and the relevant Interest Payment Date]

- (i) [to be notified to the Issuer, [the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] as soon as possible after their determination, but in no event later than [[•] Business Day prior to the expiry of the relevant Interest Period] [[the second] [•] Business Day prior to the [Coupon Date] [Interest Payment Date] of the relevant Interest Period] [insert other time], and]
- [(i) to be notified to the Issuer [, the Clearing System] [any Paying Agent] [and] [if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange] on the day which is two (2) Business Days after the end of the



[Interest Determination Date] [Reference Rate Determination Date] [Observation Day]  
[specify other date], and]

- (ii) to be notified to the Holders without delay in accordance with § [14] (Notices / [No] Stock Exchange Listing) hereof.

[Publications of information relating to the interest determination pursuant to the rules and regulations of the stock exchange on which the Notes are listed will be made to the extent provided for by such rules.]

**[In case of Zero Coupon Notes, insert:**

- (1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes. The Amortisation Yield[s] [is][are] **[insert Amortisation Yield]**

**[In the case of different Amortisation Yields for individual Interest Periods, set forth applicable provisions (including fallback provisions) herein]]**

**[Continuation of general terms and conditions for interest:**

**[(•)]** *Accrual of Interest and Default Interest.* If the Issuer shall fail to redeem the Notes when due and no Extended Maturity was announced, interest shall accrue on the [principal amount][redemption amount] of the Notes from (and including) the due date to (but excluding) the date of actual redemption of the Notes at the default rate of interest established by law.<sup>1</sup>

**[(•)]** *Day Count Fraction.* “**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (the “**Calculation Period**”):

**[If Actual/Actual (ICMA Rule 251) is applicable, insert:**

The Calculation Period will be calculated on the following basis:

- (a) if the Calculation Period is equal to or shorter than the Determination Period (as defined below) during which it falls (including in the case of short coupons), the Calculation Period will be the number of days in the Calculation Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
- (b) if the Calculation Period is longer than one Determination Period (long coupon), the Calculation Period will be the sum of:
  - (i) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year]; and
  - (ii) the number of days in such Calculation Period falling in the next Determination Period divided by [the product of (1)] the number of days in such Determination Period [and (2) the number of Determination Periods normally ending in any year].]

Where:

“**Determination Period**” means the period from and including **[insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)]** in any year to but

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<sup>1</sup> According to paragraphs 288(1) and 247 of the German Civil Code (Bürgerliches Gesetzbuch) (“**BGB**”), the default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank semi-annually.

excluding the next [insert day(s) and month(s) on which interest is normally paid (if more than one, then such dates in the alternative)] (**Actual/Actual (ICMA Rule 251)**).]

**[If Actual/Actual (ISDA), insert:**

the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365) (**Actual/Actual (ISDA)**).]

**[If Actual/365 (Fixed), insert:**

the actual number of days in the Calculation Period divided by 365. (**Actual/365 (Fixed)**).]

**[If Actual/360, insert:**

the actual number of days in the Calculation Period divided by 360 (**Actual/360**).]

**[If 30/360 or Bond Basis, insert:**

the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month) (**30/360 or Bond Basis**).]

**[If 30E/360 or Eurobond Basis, insert:**

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month) (**30E/360 or Eurobond Basis**).]

**[If 360/360, insert:**

the number of days in the Calculation Period divided by 360, calculated on the basis of a year of 360 days with twelve 30-day months. (**360/360**).]

## **§5 Payments**

- (1) (a) *[Payment of Principal.* Payment of principal, and any additional amounts, in respect of the Notes shall be made[, subject to subparagraph (2) below,] to [the Clearing System or to its order] [the Paying Agent] for credit to the accounts of the relevant account holders [of the Clearing System] [upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Notes at the time of payment at the specified office of the Fiscal Agent.]

**[In the case of Notes other than Zero Coupon Notes, insert:**

- (b) *Payment of Interest.* Payment of interest on the Notes and any additional amounts shall be made[, subject to subparagraph (2), to the Clearing System or to its order by the [Paying Agent] for credit to the relevant account holders [of the Clearing System].

**[In the case of interest payable on a Temporary Global Note, insert:** Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order by the Paying Agent for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 2(2)(b).]

- (2) *[Payment Reference Date.* Payments of amounts due in respect of the Notes shall be made to the Holders shown in the holders' registry as provided by the Clearing System, on the payment reference date (the "**Payment Reference Date**") which is to be determined as follows:
- (a) regarding payments due in case of acceleration, the date when any notice declaring the Notes due and payable is given by a Holder in accordance with § 10 and
  - (b) in relation to any other payments on the Notes, at the close of business on the 15th calendar day before the due date for payment thereof (including the Maturity Date). Any person who acquires a Note between a Payment Reference Date and the corresponding due date for a payment of interest shall not be entitled to receive payment of interest on the Notes for the corresponding interest due date notwithstanding that such person is shown in the holders' registry on the relevant interest due date as the Holder of the Note.

No Holder may transfer its Note(s) during the period from and including [in case of Notes admitted to trading on the spot regulated market or an alternative trading system operated by Bursa de Valori București S.A. insert: the second Business Day prior to] the Payment Reference Date immediately preceding the Maturity Date up to and including the Maturity Date.]

- (2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the freely negotiable and convertible currency which on the respective due date is the currency of the country of the Specified Currency.

*[In the case of Notes not denominated in Euro, insert:*

If the Issuer determines that the amount payable on the respective Payment Business Day is not available to it in such freely negotiable and convertible funds for reasons beyond its control or that the Specified Currency or any successor currency to it provided for by law (the "**Successor Currency**") is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making such payment in Euro on, or as soon as reasonably practicable after, the respective Payment Business Day on the basis of the Applicable Exchange Rate. Holders shall not be entitled to [further] interest or any other payment as a result thereof. The "**Applicable Exchange Rate**" shall be, (i) if available, the Euro foreign exchange reference rate for the Specified Currency or the Successor Currency determined and published by the European Central Bank for the most recent practicable date falling within a reasonable period (as determined by the Issuer in its equitable discretion) prior to the day on which the payment is made or, (ii) if such rate is not available, the foreign exchange rate of the Specified Currency or the Successor Currency against the Euro as determined by the Issuer in its equitable discretion.]

- (3) *[Discharge.* The Issuer shall be discharged by payment to [, or to the order of, the Clearing System] [the Paying Agent].]

- [(3)][(4)] *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Business Day, then the payability and actual payment date depend on the Business Day Convention as applicable according to subparagraph ([4])[5]). The Holder shall not be entitled to payment until the next such day in the relevant place. Irrespective of the provisions regarding the Interest Period, the Holder shall not be entitled to further interest or other payment in respect of such delay.

**[Insert other Payment Business Day: Payment Business Day is [define Payment Business Day]]**

[Business Day in this § 5 means any day (other than a Saturday or a Sunday) on which [the Clearing System] **[if the Specified Currency is EUR or if TARGET is needed for other reasons insert: [as well as] the Trans European Automated Real time Gross settlement Express Transfer System (TARGET2) ("TARGET")]** [is][are] operational][and] [commercial banks and foreign exchange markets settle payments in **[insert all relevant financial centres].]**

- [[4)][(5)] *Business Day Convention.* If the date for payment of any amount in respect of any Note would fall on a day which is not a Business Day, it shall be

**[if Following Business Day Convention, insert:** postponed to the next day which is a Business Day.

**[if Modified Following Business Day Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

**[if Preceding Business Day Convention, insert:** the immediately preceding Business Day.]

**[if FRN Convention, insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls [[insert number] months] [insert other specified periods] after the preceding applicable Interest Payment Date.]]

## **§6 Redemption**

- (1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their [Final Redemption Amount] on **[in case of a specified Maturity Date insert such Maturity Date]** **[in case of a Redemption Month insert:** the [Floating] Interest Payment Date falling in **[insert Redemption Month and Redemption Year]**] (the “Maturity Date”).

- (2) *[Final Redemption Amount]:*

**[If the Notes are redeemed on the Maturity Date at their principal amount insert:**

The Final Redemption Amount in respect of each Note shall be equal to its principal amount.]

**[If the Notes are redeemed on the Maturity Date at an amount other than the principal amount insert:**

The Final Redemption Amount in respect of each Note shall be **[insert currency]** **[insert amount greater than or equal to the principal amount]** for each Note.]

**[If the Notes are subject to Early Redemption for reasons of taxation insert:**

- (3) *[Early Redemption for Reasons of Taxation.*

- (a) If there is a change in the applicable tax treatment of the Notes, including, but not limited to, change in, or amendment to, the laws or regulations in Romania or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations (including relevant court decisions), which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, and if the Issuer is required pursuant to any such change or amendment to pay additional amounts **[in case of Notes other than Zero Coupon Notes insert:** on the immediately succeeding [Floating] [Fixed] Interest Payment Date (as defined in § 4)] **[in case of Zero Coupon Notes insert:** at maturity or upon the sale or exchange of any Note], and this obligation cannot be avoided by the use of reasonable measures available to the Issuer, the Issuer may, upon giving not more than 60 days’ and not than 30 days’ prior notice in accordance with § 6[(4)][(5)][(6)], at any time redeem the Notes in whole, but not in part, at their [Early Redemption Amount (as defined below)] **[in case of Notes other than Zero Coupon Notes insert:** together with interest (if any) accrued to the date fixed for redemption (but excluding)] on the date fixed for Early Redemption specified in the notice, provided that the conditions laid down in § 6[(8)][(9)][(10)] are met.

- (b) However, such Early Redemption may not occur (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such additional amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts does not remain in effect. **[In case of Floating Rate Notes insert:** The date fixed for Early Redemption must be [a [Floating] Coupon Date] [Fixed Coupon Date] [[an] [a Fixed] Interest Payment Date][a Floating Interest Payment Date].]

- (c) Any such notice for Early Redemption shall be given pursuant to § 14 (Notices / [No] Stock Exchange Listing). It shall be irrevocable and must specify the date fixed for redemption and the Early Redemption Amount.]]

***[If Notes are subject to Early Redemption at the Option of the Issuer:***

[[ (3) ]][ (4) ] *Early Redemption at the Option of the Issuer.*

- (a) The Issuer may redeem the Notes in whole or in part, upon giving not more than [60][●] [Business Days'] [days'] nor less than [30][●] [Business Days'] [days'] notice in accordance with § 6[(4)][(5)][(6)], on the Call Redemption Date[s] at the [Call Redemption Amount[s]] set forth below together with accrued interest, if any, to (but excluding) the [respective] Call Redemption Date, provided that the conditions laid down in § 6[(8)][(9)][(10)] are met.
- (b) ***[If Notes are subject to Early Redemption at the Option of the Holder insert:*** The Issuer is not entitled to exercise such option in respect of any Note which is subject to the prior exercise of the Holder's option to redeem such Note pursuant to § 6[(5)][(6)][(7)].
- (c) [Call Redemption Date[s]] [is] [are] **[insert Call Redemption Date[s]]**
- (d) [Call Redemption Amount[s]] [is] [are] **[insert Call Redemption Amount[s]]** [for the following Call Redemption Date[s] **[insert Call Redemption Date[s]]**].

Such a redemption has to be made [at least] [at most] in the amount of [●] per cent of the principal amount of the Notes.

- (e) ***[In case of a minimum Call Redemption Amount or an increased Call Redemption Amount insert:*** The Notes have to be redeemed at [their principal amount of **[insert amount]**] [that is at least equal to **[insert minimum Call Redemption Amount]**][**[insert increased Call Redemption Amount]**] per Note.]
- (f) [If the Notes are redeemed early only in part, the Notes to be redeemed are determined according to the rules of the relevant Clearing System.]

***[If the Notes are subject to Early Redemption for regulatory reasons insert:***

[[ (3) ]][ (4) ][(5)] *Early Redemption for Regulatory Reasons.*

If there is a change in the regulatory classification of the Notes that would be likely to result or has resulted in their exclusion in full or in part from liabilities eligible for the minimum requirement for own funds and eligible liabilities (MREL) pursuant to the Romanian Recovery and Resolution Act on an unlimited and uncapped basis, the Issuer may, upon giving not more than [60][●][Business Days'] [days'] nor less than [30][●][Business Days'] [days'] prior notice in accordance with § 6[(4)][(5)][(6)], at any time redeem the Notes in whole, but not in part, at the [Final Redemption Amount][Early Redemption Amount], [together with interest (if any) accrued to but excluding the date fixed for Early Redemption] on the date fixed for Early Redemption in the notice, provided that the conditions laid down in § 6[(8)][(9)][(10)] are met.

[(4)][(5)][(6)] *Notice of Early Redemption.*

Any notice of Early Redemption of the Notes shall be given by the Issuer to the [Principal Paying Agent [Fiscal Agent] and] pursuant to § 14 (Notices / [No] Stock Exchange Listing) to the Holders and shall specify:

- (a) the indication of the Series of Notes that is to be redeemed;
- (b) a statement as to whether the Series is redeemed in whole or in part and in the latter case [the aggregate principal amount][the total number of pieces] of the Notes to be redeemed;

- (c) the date of the relevant Early Redemption or, if applicable and as the case may be, the relevant [Call] [Early] Redemption Date; [and]
- (d) [in case of an Early Redemption pursuant to [§ 6(3) (Early Redemption for Reasons of Taxation) and] § 6[(3)][(4)][(5)] (Early Redemption for Regulatory Reasons), the Early Redemption Amount at which the Notes are redeemed or if applicable – the Call Redemption Amount at which the Notes are redeemed.]]

[(5)][(6)][(7)] *No early Redemption at the Option of a Holder.* The Holders do not have a right to demand the early redemption of the Notes.

**[In case of Notes other than Zero Coupon Notes insert:**

[(6)][(7)][(8)] *Early Redemption Amount.*

- (a) For the purpose of [§ 1 (Definitions),] [§ 6(3) (Early Redemption for Reasons of Taxation) and] § 6[(3)][(4)][(5)] (Early Redemption for Regulatory Reasons) the Early Redemption Amount of a Note is equal to [the Final Redemption Amount pursuant to this § 6(2)][**insert other amount/rate**].]

**[In case of Zero Coupon Notes insert:**

[(6)][(7)][(8)] *Early Redemption Amount.*

- (a) For the purpose of this [§ 6(3) (Early Redemption for Reasons of Taxation) and] § 6[(3)][(4)][(5)] (Early Redemption for Regulatory Reasons) the Early Redemption Amount of a Note is equal to the Amortised Face Amount pursuant to this § 6[(6)][(7)][(8)].
- (b) **[In the case of accrued interest being added:** The amortised face amount (“**Amortised Face Amount**”) of a Note shall be an amount equal to the sum of:
  - (i) **[Reference Price]** (the “**Reference Price**”), and
  - (ii) the **product** of the Amortisation Yield being **[Amortisation Yield]** (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Notes become due and payable].

**[In the case of unaccrued interest being deducted:** The amortised face amount (“**Amortised Face Amount**”) of a Note shall be the principal amount thereof adjusted for interest from (and including) the Maturity Date to (but excluding) the date of final repayment by the Amortisation Yield, being **[insert Amortisation Yield]**. Such calculation shall be made on the assumption of an annual capitalisation of accrued interest.]

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year (the “**Calculation Period**”) shall be made on the basis of the Day Count Fraction (as defined in § 4).

- (c) If the Issuer fails to pay the Early Redemption Amount when due, the Amortised Face Amount of a Note shall be calculated as provided herein, except that references in subparagraph (b)(ii) above to the date fixed for redemption or the date on which such Note becomes due and repayable shall refer to the earlier of (i) the date on which upon due presentation and surrender of the relevant Note (if required), payment is made, and (ii) the fourteenth day after notice has been given by the Fiscal Agent in accordance with § 14 (Notices / [No] Stock Exchange Listing) that the funds required for redemption have been provided to the Fiscal Agent.]

[(7)][(8)][(9)] *Rounding of Redemption Amounts.* Redemption Amounts are rounded to **[insert number]** decimals.

[(8)][(9)][(10)] *Conditions for Early Redemption and Repurchase.* Any Early Redemption pursuant to this § 6 and any repurchase pursuant to § 13(2) is subject to the Issuer having obtained the prior permission of the Resolution Authority (or any other relevant supervisory authority) for the Early Redemption or any repurchase pursuant to § 13(2) in accordance with the Articles 77 and 78a CRR, if and to the extent such prior permission is required at this time and either of the following conditions is met:

- (a) on or before the redemption of the Notes, the Issuer replaces the Notes with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (b) the Issuer has demonstrated to the satisfaction of the Resolution Authority if such consent is then required under the Capital Regulations, that its own funds and eligible liabilities would, following such redemption, exceed the requirements for own funds and eligible liabilities laid down in CRR, CRD and BRRD (and/or any other Capital Regulations as may supplement and/or amend these and/or come into effect in place thereof) by a margin that the Resolution Authority, acting in agreement with the Competent Authority, may consider necessary; or
- (c) the Issuer has demonstrated to the satisfaction of the Resolution Authority if such consent is then required under the Capital Regulations, that the partial or full replacement of the Notes with own funds instruments is necessary to ensure compliance with own fund requirements laid down in CRR and CRD (and/or other Capital Regulations as may supplement and/or amend these and/or come into effect in place thereof) for continuing authorization.

Notwithstanding the above conditions, if, at the time of any Early Redemption or purchase, the prevailing supervisory regulations applicable to the Issuer permit the Early Redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as appropriate, additional pre-conditions, if any.

For the avoidance of doubt, any refusal of any Resolution Authority and/or Competent Authority (or any other relevant supervisory authority) to grant any required permission, approval or other consent shall not constitute a default for any purpose.

## §7 Agents

- (1) *Appointment; Specified Offices.* The initial agents (the “**Agents**”) and their respective specified offices are:

“**Fiscal Agent**”:

[The Bank of New York Mellon, London Branch

**[other/further Fiscal Agent]**

“**[Principal] Paying Agent**”:

The Bank of New York Mellon, London Branch

**[other/additional [Principal] Paying Agent/specified office(s)]**

“**Calculation Agent**”:

[The Fiscal Agent shall also act as Calculation Agent.]

[Calculation Agent is: **[Insert name and address of Calculation Agent]]]**

[Other Agents: **[insert other Agents]**]

Any Agent named above reserves the right at any time to change its respective specified [office] to some other [office].

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Agent named above and to appoint another Fiscal Agent/Paying Agent or additional or other Agents in accordance with all applicable regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days' prior notice thereof shall have been given to the Holders in accordance with § [14] (Notices / [No] Stock Exchange Listing).
- (3) *[Agents of the Issuer.* The Agents named above act solely as agent of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.]]
- [(3)][(4)] *Determinations Binding.* All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Conditions by any Agent shall (in the absence of manifest error) be binding on the Issuer and all other Agents/agents and the Holders.

## **§8 Taxation**

- (1) *Taxation.* All amounts payable in respect of the interest under the Notes will be made by the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by Romania or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

If such withholding or deduction is required by law, the Issuer shall withhold or deduct from amounts payable in respect of the Notes to a Holder sufficient funds for the payment of any tax that it is required to withhold or deduct under Romanian law and shall not pay such additional amounts to the Holder in respect of such withholding or deduction.

At least 5 Business Days prior to the relevant interest payment date, the Issuer will receive from the Holders through the relevant ICSD(s) and/or intermediaries and custodians via the Fiscal Agent information as regards the identity and residency for tax purposes of any Holder. On the basis of such information, the Issuer will determine the applicability of the withholding or deduction required by Romanian law.

If such withholding or deduction is required by law and the Issuer withholds or deducts from amounts payable in respect of the Notes to a Holder the necessary funds for the payment of any tax that it is required to withhold or deduct under Romanian law, the Issuer shall (subject to the applicable law and upon the relevant Holder's request) provide that Holder with the relevant documents required for the Holder to request from the competent Romanian tax authority the certificate evidencing such withholding in Romania (*certificatul de atestare a impozitului plătit de nerezident*).

Any following endeavour to adjust the supplementary income tax paid or in order to obtain reimbursement of such supplementary income tax paid shall be incumbent on the Holder.

For greater clarity, no additional amounts will be payable on account of any Taxes which:

- (a) are payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or distributions made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with Romania; or
- (c) are withheld or deducted, if such payment could have been effected by another custodian bank or collecting agent without such withholding or deduction; or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § [14] (Notices / [No] Stock Exchange Listing), whichever occurs later; or



- (e) would not be payable if the Holder is able to avoid such a withholding or deduction providing a certificate of residence, certificate of exemption or any other similar documents.
- (2) **FATCA Withholding.** The Issuer will be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA Withholding**”). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a Holder, beneficial owner or other intermediary for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

## **§9 Presentation Period**

The presentation period provided in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) (“**BGB**”) in relation to the Notes is [(i)] [reduced to] [ten] [**insert other number of years**] [years] [unlimited] in respect of principal[.] [and (ii)] [limited to] [four] [**insert other number of years**] [years] [unlimited] in respect of interest[.]

## **§10 Events of Default**

The holder(s) shall not have the right to accelerate the future scheduled payment of interest or principal under the Notes, other than in the insolvency (*faliment*) or liquidation (*lichidare*) of the Issuer.

To the maximum permitted by applicable laws, the holder(s) shall not have the right to accelerate the future scheduled payment of interest or principal under the Notes in case an early intervention (*intervenție timpurie*) measure, a resolution (*rezoluție*) measure, a moratorium or any other action or measure that may be taken against the Issuer pursuant to the Romanian Recovery and Resolution Act.

## **§11 Substitution**

[*This paragraph is intentionally left blank.*]

## **§12 Amendment of the Conditions, Holders’ Representative**

- (1) **Amendment of the Conditions.** In accordance with the German Act on Debt Securities (Gesetz über Schuldverschreibungen aus Gesamtemissionen – “**SchVG**”) the Holders may agree with the Issuer on amendments of the Conditions, subject to the consent by the Resolution Authority (or any other relevant supervisory authority), if and to the extent required, with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously. There will be no amendment of the Conditions without the Issuer’s consent.
- (2) **Majority.** Resolutions shall be passed by a majority of not less than 75 per cent of the votes cast. Resolutions relating to amendments of the Conditions which are not material and which do not relate to the matters listed in § 5 paragraph (3), Nos. 1 to 8 of the SchVG require a simple majority of the votes cast.
- (3) **Vote without a Meeting.** All votes will be taken exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18 paragraph 4 sentence 2 of the SchVG.
- (4) **Chair of the Vote.** The vote will be chaired by a notary appointed by the Issuer or, if the Holders’ Representative has convened the vote, by the Holders’ Representative.
- (5) **Voting Rights.** Each Holder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes.

(6) *Holders' Representative.*

**[If no Holders' Representative is designated in the Conditions:** The Holders may by majority resolution appoint a common representative (the "**Holders' Representative**") to exercise the Holders' rights on behalf of each Holder.]

**[If the Holders' Representative is appointed in the Conditions:** The common representative (the "**Holders' Representative**") shall be [insert Name of the Holders' Representative]. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted wilfully or with gross negligence.]

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

**§13 Further Issues, Repurchases and Cancellation**

- (1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same Conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.
- (2) *Repurchases.* Provided that the conditions laid down in § 6[(8)][(9)][(10)] are met, the Issuer may at any time repurchase Notes in any market or otherwise and at any price. Notes repurchased by the Issuer may, at the option of the Issuer, be held, resold or [cancelled] [surrendered to the [Fiscal Agent] for cancellation].

**§14 Notices / [No] Stock Exchange Listing**

- (1) [The Issuer shall deliver all notices concerning the Notes [to the Clearing System] for communication [by the Clearing System] to the Holders. Any such notice shall be deemed to have been given to the Holders on the [number of days] day after the day on which said notice was given to the [Clearing System] [in **Insert Medium**].

[(1)][(2)] [If the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, notices shall be published in accordance with the rules and regulations of such listing authority, stock exchange and/or quotation system. [As long as the Notes are listed on the Luxembourg Stock Exchange, notices concerning the Notes will be published on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu) or such other website or other medium for the publication of notices as required in accordance with the rules and regulations of the Luxembourg Stock Exchange.]

Any such notice shall be deemed to have been validly given to the Holders on the day of such publication.]

[A listing on a stock exchange is not envisaged.]

[(1)][(2)][(3)] The Issuer will [also] publish notices [on its website [www.raiffeisen.ro](http://www.raiffeisen.ro)[/•] for Debt Investors] [and] [in a leading daily newspaper having general circulation in [Romania][Luxembourg][**insert other country**]. This newspaper is expected to be **insert newspaper**. Any notice so given will be deemed to have been validly given on the **insert number of days** day following the date of such publication.]

[(2)][(3)][(4)] Any notice so given [, except in case of subparagraph [(1)][(2)],] will be deemed to have been validly given if published more than once, on the **insert number of days** day after the date of the first such publication.]

[(2)][(3)][(4)][(5)] *Form of Notice of Holders.* Notices to be given by any Holder shall be made in writing in the English or German language. The notice must be accompanied by proof that such notifying Holder is

holder of the relevant Notes at the time of the giving of such notice. Proof may be made by means of a certificate of the Custodian (as defined in § [15](3) (*Final Provisions*)) or in any other appropriate manner. So long as Notes are securitised in the form of a Global Note, such notice may be given by the Holder to the Fiscal Agent through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.]

## **§15 Final Provisions**

- (1) *Applicable Law.* The Notes, as to [form and] content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law. The status provisions in § 3 (*Status*) shall be governed by, and shall be construed exclusively in accordance with, Romanian law.
- (2) *Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main, Germany, shall have non-exclusive jurisdiction for any action or other legal proceedings (“**Proceedings**”) arising out of or in connection with the Notes.
- (3) *Enforcement.* Any Holder of Notes may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the Notes in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Notes. For purposes of the foregoing, “**Custodian**” means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Notes also in any other way which is admitted in the country of the proceedings.
- (4) *Language.* These Conditions are written in the English language only.

[to be inserted]

## FORM OF FINAL TERMS

[In the case of Notes listed on the official list of the Luxembourg Stock Exchange, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]

[Date]

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES TARGET MARKET]** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is [eligible counterparties][,] [and] [professional clients] , each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) [all channels][insert as appropriate] for distribution of the Notes [is][are] appropriate [including investment advice, portfolio management, non-advised sales and pure execution services]. [Consider any negative target market] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable].][Insert further details on target market, client categories, etc.]

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS]** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, the “**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS]** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision the expression **retail investor** means a person who is one (or more) of the following (i) a retail client, as defined in point (8) of Article 2(1) of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.]

## FINAL TERMS

[Title of relevant Series of Notes]<sup>5</sup> (the “Notes”)

[(to be consolidated, form a single series with and increase the aggregate principal amount of the [Title of relevant Series of Notes] issued on [ ] [and increased on [...]] with the ISIN [ ])]<sup>6</sup>

Series: [ ], Tranche [ ]

[ISIN [...]]<sup>7</sup>

**Interim ISIN [ ]**

**Permanent ISIN [ ]**

issued pursuant to the  
**EUR [•] Euro Medium Term Note Programme**  
for the issue of Notes dated [•] of  
**Raiffeisen Bank S.A.**

Legal Entity Identifier: 549300RFKNCOX56F8591

<b>[The validity of the respective base prospectus will expire as of [•] 2022.<sup>8</sup></b>
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<sup>5</sup> “Notes” in the Final Terms shall have the meaning of “Ordinary Senior Notes”, “Subordinated Notes” or “Eligible Notes”.

<sup>6</sup> Include only in the case of fungible tranches.

<sup>7</sup> Include in case of first tranche.

<sup>8</sup> If the offer period of the Notes continues beyond the validity of the Prospectus, insert a warning indicating the last day of validity of the Prospectus and where the succeeding base prospectus will be published.

The succeeding base prospectus will be published in electronic form on the website of the Issuer or its successor, <a href="http://www.raiffeisen.ro">www.raiffeisen.ro</a> under “[●]” for Debt Investors. [Issue Price] [Initial Issue Price]: [ ] per cent
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[Issue Date][Initial Issue Date]: [ ]

[[These Final Terms have been prepared for the purpose of Article 8(5) in connection with Article 25(4) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the “**Prospectus Regulation**”) and must be read in conjunction with the base prospectus dated [●] 2021 [and the supplement(s) dated [●]] (the “**Prospectus**”) (including the documents incorporated into the Prospectus by reference), pertaining to the “Euro [●] Euro Medium Term Note Programme of Raiffeisen Bank S.A.” (the “**Programme**”). Full information about Raiffeisen Bank S.A. and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus (and any supplement thereto) is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), on the website of the Issuer ([www.raiffeisen.ro](http://www.raiffeisen.ro) under “[●]”) and copies may be obtained from Raiffeisen Bank S.A., 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup>, Bucharest 1st District, Romania. Investors shall be aware that a supplement to the Prospectus may be published. Such a supplement will be published in electronic form on the Issuer’s website ([www.raiffeisen.ro](http://www.raiffeisen.ro) under “[●]”).

## PART I.: CONDITIONS

**[A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I, Option II or Option III including certain further options contained therein, respectively, and completing the relevant placeholders, insert:**

The Conditions applicable to the Notes (the “**Conditions**”) are as set out below.

**[in case of Ordinary Senior Notes** replicate here relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders]

**[in case of Subordinated Notes** replicate here relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders]

**[in case of Eligible Notes** replicate here relevant provisions of Option III including relevant further options contained therein, and complete relevant placeholders]

**[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I, Option II or Option III including certain further options contained therein, respectively, insert:**

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to [Ordinary Senior][Subordinated][Notes][[Ordinary senior][Non-Preferred Senior] Eligible Notes] (the “**Terms and Conditions**”) set forth in the Prospectus as [Option I][Option II][Option III]. Capitalised terms not otherwise defined herein shall have the meanings specified in the set of Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and subparagraphs are to Articles and subparagraphs of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in the Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the “**Conditions**”).

DEFINITIONS (§ 1) <sup>9</sup>		
<input type="checkbox"/>	Screen Page(s) [[●]] <sup>10</sup>	[REUTERS Screenpage [EURIBOR01] [ROBOR=]] <b>[Insert other Screenpage and additional information if necessary]</b> or each successor page.]
<input type="checkbox"/>	Screen Page(s) [[●]] <sup>11</sup>	means [●]
	<b>Clearing System</b>	
<input type="checkbox"/>	Clearstream Banking, S.A., Luxembourg (“ <b>CBL</b> ”) 42 Avenue JF Kennedy, L-1855 Luxembourg	
<input type="checkbox"/>	Euroclear Bank SA/NV, as Operator of the Euroclear System (“ <b>Euroclear</b> ”) 1 Boulevard du Roi Albert II, B-1210 Brussels	
<input type="checkbox"/>	Depozitarul Central SA, as Bucharest Stock Exchange Clearing System, 34- 36 Carol I Boulevard 020922, Floors 3, 8 and 9, Bucharest 2, Romania	
<input type="checkbox"/>	Business Day	[Clearing System][TARGET][Luxembourg][Bucharest][ <b>insert relevant financial centres</b> ]
<input type="checkbox"/>	Reference Rate	means a value, [which] [the performance of which] determines [the height of a/the ] [floating interest rate(s)] [and][or] [the Redemption Amount][and][or][if any interest will be paid for a certain interest period][and] [or] [the maturity of the Notes][ <b>insert any other legal consequence</b> ] (i.e. an interest rate, a Swap Rate, an exchange rate, etc.)]
<input type="checkbox"/>	Reference Interest Rate <sup>12</sup>	means the offered quotation for the [number] month [EURIBOR] [ROBOR] [€STR] [insert other reference interest rate] which appears on the Screen Page as of [9.00 a.m.][11.00 a.m.] [5.00 p.m.] [6.00 p.m.] [ <b>insert other relevant time</b> ] ( <b>[insert relevant time zone]</b> ) on the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [ <b>determine other day</b> ].
<input type="checkbox"/>	Fallback for a Reference Interest Rate other than a compounded daily overnight reference rate in case of other than a Discontinuation Event	
	Period for offered quotation	[per annum][ <b>insert other period</b> ]

<sup>9</sup> If not applicable, the following items may be deleted.

<sup>10</sup> To be completed only if the Reference (Interest) Rate is applicable.

<sup>11</sup> To be completed if the Reference Swap Rate is applicable.

<sup>12</sup> To be completed if the Reference Rate is an Interest Rate.



	Relevant time / time zone	[11.00 a.m.][insert relevant time]([insert relevant time zone])
	[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]
	Roundings	[thousandth] [ten-thousandth] [hundred-thousandth] [insert other rounding rules]
	[0.0005] [0.00005] [0.000005] [insert other rounding rules] being rounded upwards) of such offered quotations	[...]
	[, however at least 0.00 per cent p.a.]	[...]
	[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]
	Financial Centre	[...]
	Reference Interest Rate	[for the relevant Interest Period] [define other event]
	Reference Banks	[if no other Reference Banks are specified in the Final Terms, insert: the offices of not less than [four] [insert other number] major banks in the [relevant] [insert relevant financial centre] interbank market [in the Euro-Zone].] [If other Reference Banks are specified in the Final Terms, insert names here.]
<input type="checkbox"/>	[Fallback in case of €STR	
	[Calculation Agent][●]	[...]
<input type="checkbox"/>	[Fallbacks for a Reference Interest Rate other than a compounded daily overnight reference rate in case of a Discontinuation Event	
	Reference Interest Rate updated and replaced on	[each [relevant] Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day(s)]
	Calculation of	[Rate of Interest] [or] [the] [Interest Amount][determine other rate or amount]
	Publication obligations	[No][no other]
	Procedures Determination Date	Not less than 3 Business Days prior to the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day] relating to the [next succeeding Interest Period][determine other event / day]
	Early Redemption	[Applicable][Not Applicable]

	[Final Redemption Amount][Early Redemption Amount]	[...]
	Redemption Date [Final][Early] Redemption Amount Applicable [Rate of Interest] [Reference Interest Rate]	Second [Coupon Date][Interest Payment Date] [...] [If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date] <b>[determine other day]</b> prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]]
<input type="checkbox"/>	[Reference Swap Rate <sup>13</sup> ] [other quotation]	Is the <b>[insert number of years/months]</b> [year][months] [insert relevant currency] Swap Rate and means <b>[●] / insert definition /Screen Page]</b>
<input type="checkbox"/>	Fallback in case other than a Discontinuation Event	
	Fallback in case of other than a Discontinuation Event	If the <b>[insert number of years/months]</b> [year][month] [insert relevant currency] Swap Rate] <b>[insert other swap rate]</b> is not displayed on the Screen Page on the Interest Adjustment Determination Date, the <b>[insert number of years/months]</b> [year][month] <b>[insert relevant currency]</b> Swap Rate] <b>[insert other swap rate]</b> is equal to the Reset Reference Bank Rate (as defined below) on that Interest Adjustment Determination Date.
	Reset Reference Bank Rate	<b>[insert number of years/months]</b> [year][month] Swap Rate] <b>[insert other swap rate]</b> Quotations provided by [five] <b>[insert other number]</b> leading swap dealers in the interbank market to the Calculation Agent at approximately <b>[insert time]</b> ( <b>[insert time zone]</b> ), on the Interest Adjustment Determination Date.
	Number of quotations	[three] <b>[insert other number]</b>
	Reset Reference Bank Rate	<b>[insert number of years/months]</b> [year][month] Swap Rate] <b>[insert other swap rate]</b>
	Period	[per annum] <b>[insert other period]</b>
	Relevant time	[11.00 a.m.] <b>[insert relevant time]</b> ( <b>[insert relevant time zone]</b> )
	[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]

<sup>13</sup> To be completed if the Reference Rate is a Swap Rate.

	[thousandth] [ten-thousandth] [hundred-thousandth] [insert other rounding rules]	[...]
	[0.0005][0.00005] [0.000005][ <b>insert other rounding rules</b> ] being rounded upwards) of such offered quotations	[...]
	[, however at least 0.00 per cent p.a.]	[...]
	[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]
	Financial Centre	[...]
	Reference Swap Rate	[for the relevant Interest Period] [ <b>determine other event</b> ]
	Reference Banks	<i>[If no other Reference Banks are specified in the Final Terms, insert: the offices of not less than [four] [insert other number] major banks in the [relevant] [insert relevant financial centre] interbank market [in the Euro-Zone].] [If other Reference Banks are specified in the Final Terms, insert names here.]]</i>
<input type="checkbox"/>	[Fallback in case of a Discontinuation Event]	
	[Reference Swap Rate]	[ ]
	[other definition for quotation]	[ ]
	[Reference Swap Rate][insert other definition for quotation] replaced on	[each] [relevant Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [ <b>determine other day(s)</b> ]
	Calculation of	[Rate of Interest] [or] [the] [Interest Amount][ <b>determine other rate or amount</b> ]
	Publication obligations	[No][no other]
	Procedures Determination Date	[Interest Determination Date] [Reference Rate Determination Date][Observation Day] [ <b>determine other day</b> ] relating to the [next succeeding Interest Period][ <b>determine other event / day</b> ]
	Early Redemption	[Applicable][Not Applicable]
	[Final Redemption Amount][Early Redemption Amount]	[...]
	Redemption Date [Final][Early] Redemption Amount]	Second [Coupon Date][Interest Payment Date] [...]
	Redemption	[If the Issuer elects to redeem the Notes, the [Rate of Interest][ <b>insert other definition for quotation</b> ] applicable from the last [Coupon Date] [Interest Payment Date]

		[ <b>determine other day</b> ] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][ <b>insert other definition for quotation</b> ] applicable to the immediately preceding Interest Period.]
[ <input type="checkbox"/>	Fallback in case of other than a Discontinuation Event	
	Currency	[...]
	Reason of calculation	[Rate of Interest][ <b>determine other reason of calculation</b> ]
	Time / time zone	[11.00 a.m.] [ <b>insert relevant time</b> ] ([ <b>insert relevant time zone</b> ])
	Day	[Interest Determination Date][Reference Rate Determination Date] [Observation Day][ <b>determine other day</b> ]
	[for such Interest Period]	[Applicable][Not Applicable]
	Day	[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [ <b>determine other day</b> ]
	Number of Reference Banks	[five] [ <b>insert relevant number</b> ]
[ <input type="checkbox"/>	Fallback in case of a Discontinuation Event	
	Currency	[...]
	Publication obligations	[No][no other]
	Calculation of	[Rate of Interest and calculating the Interest Amount] [ <b>determine other rate /amount</b> ]
	Procedures Determination Date	Not less than 3 Business Day prior to the [Interest Determination Date] [Reference Rate Determination Date][Observation Day] [ <b>determine other day</b> ] relating to the [next succeeding Interest Period][ <b>determine other event / day</b> ]
	Early Redemption	[Applicable][Not Applicable]
	[Final Redemption Amount][Early Redemption Amount]	[...]
	Redemption Date	Second [Coupon Date][Interest Payment Date]
	[Final][Early] Redemption Amount	[...]
	Applicable [Rate of Interest] [Reference Interest Rate]	[If the Issuer elects to redeem the Notes, the [Rate of Interest][Reference Interest Rate] applicable from the last [Coupon Date] [Interest Payment Date] [ <b>determine other day</b> ] prior to the redemption date until (but excluding) the redemption date shall be the [Rate of Interest][Reference Interest Rate] applicable to the immediately preceding Interest Period.]

<input type="checkbox"/>	TARGET Business Day	
<input type="checkbox"/>	Interest Determination Date	<p>means the</p> <p>[[second] <b>[insert other applicable number of days]</b> [TARGET]][.][and][<b>insert all relevant financial centres]</b> Business Day prior to the [commencement] of the relevant Interest Period.]</p> <p>[first day of the relevant Interest Period.]</p> <p>[●] Business Day prior to [the expiry] [the Coupon Date] of the relevant Interest Period]]</p>
<b>CURRENCY, DENOMINATION, ISSUE DATE(S), FORM, CUSTODY (§ 2)</b>		
	Series	[ ]
	Tranche	[ ]
<b>Currency – Denomination – Issue Date(s)</b>		
	Specified Currency	[ ]
	Aggregate Principal Amount	[ ]
	Specified Denomination <sup>14</sup>	[ ]
	Issue Date	[ ]
<b>Form</b>		
<input type="checkbox"/>	Global Note pursuant to German law	
<input type="checkbox"/>	TEFRA C Permanent Global Note	
<input type="checkbox"/>	TEFRA D Temporary Global Note exchangeable for Permanent Global Note	
<input type="checkbox"/>	Neither TEFRA D nor TEFRA C <sup>15</sup>	
<input type="checkbox"/>	New Global Note (NGN)	
<input type="checkbox"/>	Classical Global Note (CGN)	

<sup>14</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes.

<sup>15</sup> To be completed only if the Notes have an initial maturity of one year or less.

<b>Custody – Clearing System</b>		
<input type="checkbox"/>	Global Note is a NGN	
<input type="checkbox"/>	Global Note is a CGN	
<input type="checkbox"/>	Euroclear and CBL and Global Note is a NGN	[(Temporary)][/][/(Permanent)]
<b>§ 3 Status</b>		
<input type="checkbox"/>	Ordinary Senior Notes	
<input type="checkbox"/>	Subordinated Notes	[ ]
<input type="checkbox"/>	Eligible Notes	
<input type="checkbox"/>	Ordinary Senior Eligible Notes	
<input type="checkbox"/>	Non-Preferred Senior Eligible Notes	
	Definition of Eligible Liabilities Instruments	[[72b][insert other relevant Article] CRR][and][[insert relevant provision of Romanian law following transposition of BRRD2] [insert other relevant provision] Romanian Recovery and Resolution Act]
<b>INTEREST (§ 4)</b>		
<input type="checkbox"/>	<b>Fixed Rate Notes<sup>16</sup></b>	
	<b>[Rate of Interest; Interest Period[s]]</b>	
	Interest Commencement Date	[ ]
	Coupon Date(s)	[ ]
	Frequency of interest payments	[annually] [semi-annually] [quarterly]
	Rate of Interest	[ ] per cent [ <i>per annum</i> ] [insert other period]
	<b>Coupon Date[s], Interest Payment Date[s],</b>	
	[First] Coupon Date	[ ]
	[Last Coupon Date] [Maturity Date]	[ ]
	Adjustment of Interest Periods	[Yes][No]
	[First][last] Interest Period	[short][long][Not applicable]

<sup>16</sup> If not applicable, the following items may be deleted.

<input type="checkbox"/>	<b>Floating Rate Notes<sup>17</sup></b>		
		<b>[Coupon Dates, Interest Payment Dates]</b>	
		Interest Commencement Date	[ ]
		Frequency of interest payments	[annually] [semi-annually] [quarterly]
		Adjustment of Interest Periods	[Yes][No]
		Coupon Date(s)	[annually] [semi-annually] [quarterly] <b>[insert Coupon Dates]</b>
		[First] Coupon Date	[ ]
		[Last Coupon Date]	[ ]
		[First][last][short][long] Interest Period	[Not Applicable] [ ]
		[Interpolation]	[Applicable] [Not Applicable]
		<b>Rate of Interest</b>	
	<input type="checkbox"/>	Reference Interest Rate other than a Compounded Daily Overnight Reference Rate	
		[Reference Interest Rate at least 0.00 per cent p.a.]	Yes
		[Multiplication with a factor]	[positive][negative] Factor [and subsequently]
		[Factor]	[•]
		[Margin]	[•]
	<input type="checkbox"/>	Compounded Daily Overnight Reference Rate	[€STR] [other compounded daily overnight reference rate]
		[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]
		[Compounded Daily Overnight Reference Rate at least 0.00 per cent p.a.]	Yes
		[Multiplication with a factor]	[positive][negative] Factor [and subsequently]
		[Factor]	[•]

<sup>17</sup> If not applicable, the following items may be deleted.

		[Margin]	[●]
		Rounding (for calculation of the Compounded Daily Overnight Reference Rate)	[fifth] [●] decimal place with [0.000005] [●] % being rounded upwards
		Applicable Period	[Interest Period] [Observation Period]
		Observation Method	[Lag][Observation Shift]
		BD (also for purposes of the definitions of “ <b>d<sub>0</sub></b> ,” “ <b>T</b> ,” “ <b>n<sub>i</sub></b> ,” “ <b>Observation Period</b> ,” “ <b>p</b> ,” “ <b>r<sub>(i-pBD)</sub></b> ”)	[€STR][other compounded daily overnight reference rate]-Business Day
		“ <b>D</b> ”, the number of days in the year used for the calculation of the Rate of Interest	[360][365][●]
		“ <b>p</b> ”	[insert number of] Business Day[s]
		<b>Interest Period</b>	
	<input type="checkbox"/>	three months	
	<input type="checkbox"/>	six months	
	<input type="checkbox"/>	twelve months	
	<input type="checkbox"/>	Other Period	[ ]
		<b>Interest Amount</b>	
	<input type="checkbox"/>	Outstanding aggregate principal amount	
	<input type="checkbox"/>	Specified denomination <sup>18</sup>	
		<b>Notification of Rate of Interest and Interest Amount</b>	
	<input type="checkbox"/>	Interest determination in advance	
		Notification to	[Clearing System] [Paying Agent(s)] [Stock Exchange(s)]
		Date of notification	[[second] [●] Business Day prior to the relevant Interest Period] [first day of relevant Interest Period][insert other date]
	<input type="checkbox"/>	Interest determination in arrear	

<sup>18</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes.



		Notification to	[Clearing System][Paying Agent(s)] [Stock Exchange(s)]
		Date of notification	[[second] [●] Business Day prior to the [relevant] Interest Period] [first day of [relevant] Interest Period] [second Business Day after the end of the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day]] [insert other date]
		Day Count Fraction	[Actual/Actual (ICMA Rule 251)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360 (Bond Basis)] [30E/360 (Eurobond Basis)] [360/360]
<input type="checkbox"/>	<b>Fixed to [Fixed to] Floating Rate Notes<sup>19</sup></b>		
		<b>[Fixed Interest]</b>	
(1) a)	Fixed Rate[s] of Interest	[ ] per cent [ <i>per annum</i> ] [insert other period] <b>[If applicable, insert Fixed Rate(s) of Interest for each Interest Period]</b>	
	Interest Commencement Date	[ ]	
	Fixed Coupon Date(s)	[ ]	
	Frequency of interest payments	[annually] [semi-annually] [quarterly]	
(1) b)	[First] Fixed Coupon Date	[ ]	
	[Last Fixed Coupon Date]	[ ]	
	Interest Exchange Day		
	Adjustment of Interest Periods	[Yes][No]	

<sup>19</sup> If not applicable, the following items may be deleted.

		Day Count Fraction	[Actual/Actual (ICMA Rule 251)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360 (Bond Basis)] [30E/360 (Eurobond Basis)] [360/360]
		<b>Business Day Convention</b>	
	<input type="checkbox"/>	Modified Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	FRN Convention (specify period(s))	[ ] [months/other – specify]
	<input type="checkbox"/>	Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	Preceding Business Day Convention	[insert applicable Interest Periods]
		[First] [last] [short] [extended] Interest Period	[Not Applicable] [ ]
(2)		<b>Floating Interest</b>	
a)		Interest	[annually] [semi-annually] [quarterly]
		Adjustment of Floating Interest Periods	[Yes][No]
		Day Count Fraction	[Actual/Actual (ICMA Rule 251)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360 (Bond Basis)] [30E/360 (Eurobond Basis)]
		<b>Business Day Convention</b>	
	<input type="checkbox"/>	Modified Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	FRN Convention (specify period(s))	[ ] [months/other – specify]

	<input type="checkbox"/>	Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	Preceding Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	Frequency of interest payments	[annually] [semi-annually] [quarterly] [insert Floating Coupon Dates]
b)		[First] Floating Coupon Date	[ ]
		[Last Floating Coupon Date]	[ ]
c)		[First] [last] [short] [long] Floating Interest Period	[Not Applicable] [ ]
		[Interpolation]	[Applicable] [Not Applicable]
	<input type="checkbox"/>	Reference Interest Rate	
		[Reference Interest Rate at least 0.00 per cent p.a.	Yes
	<input type="checkbox"/>	Factor	[for the [first] [[•]] Interest Period] as [+][-] [insert number] [insert further]
	<input type="checkbox"/>	Margin	[for the [first] [•] Interest Period] as [•] [for the [•] Interest Period] as [•]] [insert further]
	<input type="checkbox"/>	Reference Interest Rate other than a Compounded Daily Overnight Reference Rate	
		[Reference Interest Rate at least 0.00 per cent p.a.	Yes
		[Multiplication with a factor	[positive][negative] Factor [and subsequently]
		[Factor	[•]
		[Margin	[•]
	<input type="checkbox"/>	Compounded Daily Overnight Reference Rate	[€STR] [other compounded daily overnight reference rate]
		[Interest Determination Date] [Reference Rate Determination Date] [Observation Day] [determine other day]	[...]
		[Compounded Daily Overnight Reference Rate at least 0.00 per cent p.a.	Yes
		[Multiplication with a factor	[positive][negative] Factor [and subsequently]
		[Factor	[•]
		[Margin	[•]

		Rounding (for calculation of the Compounded Daily Overnight Reference Rate)	[fifth] [●] decimal place with [0.000005] [●]% being rounded upwards
		Observation Method	[Lag][Observation Shift]
		BD (also for purposes of the definitions of “ <b>d<sub>o</sub></b> ,” “ <b>I</b> ,” “ <b>n<sub>i</sub></b> ,” “ <b>Observation Period</b> ,” “ <b>p</b> ,” “ <b>r<sub>(i-pBD)</sub></b> ”)	[€STR][other compounded daily overnight reference rate]-Business Day
		“ <b>D</b> ”, the number of days in the year used for the calculation of the Rate of Interest	[360][365] [●]
		“ <b>p</b> ”	[insert number of] Business Day[s]
		<b>Interest Period</b>	
	<input type="checkbox"/>	three months	
	<input type="checkbox"/>	six months	
	<input type="checkbox"/>	twelve months	
	<input type="checkbox"/>	Other Period	[ ]
		<b>Margin</b>	
	<input type="checkbox"/>	flat	
	<input type="checkbox"/>	plus	[●] [percentage points] [for the [first] [●] Interest Period] [insert further]
	<input type="checkbox"/>	minus	[●] [percentage points] [for the [first] [●] Interest Period] [insert further]
		Factor	[Not Applicable] [+][-] [insert Factor] [for the [first] [●] Interest Period] [insert further]
		<b>Interest Amount</b>	
	<input type="checkbox"/>	Outstanding aggregate principal amount	
	<input type="checkbox"/>	Specified denomination <sup>20</sup>	
		<b>Floating Interest Period</b>	
	<input type="checkbox"/>	three months	
	<input type="checkbox"/>	six months	

<sup>20</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes.

<input type="checkbox"/>	twelve months	
<input type="checkbox"/>	Other	[ ]
	<b>Margin</b>	
<input type="checkbox"/>	flat	
<input type="checkbox"/>	plus	[●] [percentage points] [for the [first] [●] Interest Period] [insert further]
<input type="checkbox"/>	minus	[●] [percentage points] [for the [first] [●] Interest Period] [insert further]
	Factor	[Not Applicable] [+][-] [insert Factor] [for the [first] [●] Interest Period] [insert further]
	<b>Interest Amount</b>	
<input type="checkbox"/>	Outstanding aggregate principal amount	
<input type="checkbox"/>	Specified denomination <sup>21</sup>	
	<b>Notification of Rate of Interest and Interest Amount</b>	
<input type="checkbox"/>	Interest determination in advance	
	Notification to	[Clearing System][Paying Agent(s)] [Stock Exchange(s)]
	Date of notification	[[second][●] Business Day prior to the relevant Interest Period] [first day of relevant Interest Period][insert other date]
<input type="checkbox"/>	Interest determination in arrear	
	Notification to	[Clearing System][Paying Agent(s)][Stock Exchange(s)]
	Date of notification	[[second] [●] Business Day prior to the expiry of relevant Interest Period] [second] [●] Business Day prior to the [Coupon Date] [Interest Payment Date of the relevant Interest Period] [second Business Day after the end of the [Interest Determination Date] [Reference Rate Determination Date] [Observation Day]] [insert other date]
	<b>Fixed Interest</b>	
	Fixed Rate of Interest	[ ] per cent [ <i>per annum</i> ] [insert other period]

<sup>21</sup> Minimum denomination of the Notes will be EUR 100,000 or, if in any currency other than Euro, in an amount in such other currency equal to or exceeding the equivalent of EUR 100,000 at the time of the trade date of the Notes.

		Interest Commencement Date	[ ]
		Fixed Coupon Date(s)	[ ]
		Frequency of interest payments	[annually] [semi-annually] [quarterly]
		[First] Fixed Coupon Date	[ ]
		[Last Fixed Coupon Date]	[ ]
		Adjustment of Interest Periods	[Yes][No]
		Day Count Fraction	[Actual/Actual (ICMA Rule 251)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360 (Bond Basis)] [30E/360 (Eurobond Basis)] [360/360]
		<b>Business Day Convention</b>	
	<input type="checkbox"/>	Modified Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	FRN Convention (specify period(s)) [ ] [months/other – specify]	[insert applicable Interest Periods]
	<input type="checkbox"/>	Following Business Day Convention	[insert applicable Interest Periods]
	<input type="checkbox"/>	Preceding Business Day Convention	[insert applicable Interest Periods]
		Interest Payment Date preceding the Maturity Date	[ ]
		[First][last][short][long] Fixed Interest Period	[Not Applicable] [ ]
	<input type="checkbox"/>	<b>Zero Coupon Notes<sup>22</sup></b>	
		[[Different] Amortisation Yield(s)]	[Not Applicable] [Insert applicable provisions]]
		<b>[Continuation of general term and conditions for interest]</b>	
		<b>Accrual of Interest and Default Interest</b>	
	<input type="checkbox"/>	Principal amount	
	<input type="checkbox"/>	Redemption amount	

<sup>22</sup> If not applicable, the following items may be deleted.

Day Count Fraction		[Actual/Actual (ICMA Rule 251)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360 (Bond Basis)] [30E/360 (Eurobond Basis)] [360/360]
<b>PAYMENTS (§ 5)</b>		
	Recipient of payments	[Clearing System][Paying Agent]
	Against surrender of Global Note	[Applicable][Not applicable]
	Discharge by payment to [, or to the order of, the Clearing System] [the Paying Agent]	[Yes][No]
<b>Payment Business Day</b>		
<input type="checkbox"/>	Business Day (as defined in § 1)	
<input type="checkbox"/>	Other Payment Business Day	[ ]
<input type="checkbox"/>	Clearing System	
<input type="checkbox"/>	TARGET	
<input type="checkbox"/>	Other (specify all relevant financial centres)	[ ]
<b>Business Day Convention</b>		
<input type="checkbox"/>	Following Business Day Convention	
<input type="checkbox"/>	Modified Following Business Day Convention	
<input type="checkbox"/>	Preceding Business Day Convention	
<input type="checkbox"/>	FRN Convention (specify period(s))	[ ] [months/other – specify]
<b>REDEMPTION (§ 6)</b>		
<b>Redemption at Maturity</b>		
<input type="checkbox"/>	Maturity Date	[ ]
<input type="checkbox"/>	Redemption Month and Redemption Year	[ ]
<b>Final Redemption [Amount]</b>		
<input type="checkbox"/>	Redemption on the Maturity Date at principal amount	

<input type="checkbox"/>	Redemption on the Maturity Date at an amount other than the principal amount	[insert currency and amount greater than or equal to the principal amount]
<b>Early Redemption</b>		
<input type="checkbox"/>	<b>Early Redemption for Reasons of Taxation</b>	[Applicable][Not applicable]
	[[Final Redemption [Amount] ] ]Early Redemption Amount]	[...]
<b>[Early Redemption for Regulatory Reasons</b>		<b>[Applicable][Not applicable]</b>
	[[Final Redemption Amount] ]Early Redemption Amount]	[...]
	Minimum Notice Period	[ ]
<input type="checkbox"/>	Days	
<input type="checkbox"/>	Business Days	
<input type="checkbox"/>	(as defined in § 1 (Definitions))	
	Maximum Notice Period	[ ]
<input type="checkbox"/>	Days	
<input type="checkbox"/>	Business Days	
<input type="checkbox"/>	(as defined in § 1 (Definitions))	] ]
<b>Early Redemption at the Option of the Issuer<sup>23</sup></b>		<b>[Yes/No]</b>
	Minimum Call Redemption Amount	[ ]
	Increased Call Redemption Amount	[ ]
	Call Redemption Date(s)	[ ]
	Call Redemption Amount(s)	[ ]
	Minimum Notice Period	[ ]
<input type="checkbox"/>	Days	
<input type="checkbox"/>	Business Days	
<input type="checkbox"/>	(as defined in § 1 (Definitions))	
	Maximum Notice Period	[ ]

<sup>23</sup> If not applicable, the following items may be deleted.



	<input type="checkbox"/>	Days	
	<input type="checkbox"/>	Business Days	
	<input type="checkbox"/>	(as defined in § 1 (Definitions))	
	<input type="checkbox"/>	No early Redemption	
		<b>Early Redemption at the Option of a Holder<sup>24</sup></b>	[Yes/No]
		Optional Early Redemption Date(s)	[ ] [§ 4 ( <i>Interest</i> )]
		<i>Optional Early Redemption Amount(s)</i>	[ ] [§ 4 ( <i>Interest</i> )]
		Minimum Notice Period	[ ]
		Maximum Notice Period	[ ]
		[[Early Redemption Amount] [/] [Termination Amount] in case of Notes other than Zero Coupon Notes <sup>25</sup>	
	<input type="checkbox"/>	[Early Redemption] [/] [Termination] Amount	[ ]
		[[Early Redemption Amount] [/] [Termination Amount] in case of Zero Coupon Notes <sup>26</sup>	
	<input type="checkbox"/>	Addition of accrued interest	
		Reference Price	[ ]
		Amortisation Yield	[ ]
		Issue Date	[ ]
	<input type="checkbox"/>	Deduction of unaccrued interest	
		Amortisation Yield	[ ]
		Rounding of Redemption Amounts	[insert number]
<b>AGENTS (§ 7))</b>			
		Fiscal Agent	[The Bank of New York Mellon, London Branch] [insert name and address of other/ further Fiscal Agent]

<sup>24</sup> If not applicable, the following items may be deleted.

<sup>25</sup> If not applicable, the following items may be deleted.

<sup>26</sup> If not applicable, the following items may be deleted.

	[Principal] Paying Agent(s)	[The Bank of New York Mellon, London Branch] [insert name and address of other/ further [Principal] Paying Agent]
<input type="checkbox"/>	Additional Paying Agent(s)/specified office(s)	[ ]
<input type="checkbox"/>	Calculation Agent	[Fiscal Agent shall act as Calculation Agent] [insert name and address]
<input type="checkbox"/>	Other Agents	[ ]
<b>PRESENTATION PERIOD (§ 9)</b>		
	Presentation period in respect of principal	[is [reduced to] [ten] [insert other number of years] [years] [unlimited] with respect to payments of principal]
	Presentation period in respect of interest	[is [limited to] [four] [insert other number of years] [years]] [unlimited] in respect of interest]
<b>EVENTS OF DEFAULT (§ 10)</b>		
<input type="checkbox"/>	Intentionally left blank	
<input type="checkbox"/>	Not applicable	
<input type="checkbox"/>	Applicable	
	Redemption	at the Termination Amount, [together with accrued interest (if any) to the date of repayment]
<input type="checkbox"/>	Fiscal Agent	
<b>SUBSTITUTION (§ 11)</b>		
<input type="checkbox"/>	Intentionally left blank	
<input type="checkbox"/>	Not applicable	
<input type="checkbox"/>	Applicable	
<input type="checkbox"/>	Issuer guarantee	
<input type="checkbox"/>	Substitute Debtor to have the same rating as the Issuer	
<input type="checkbox"/>	Fiscal Agent	
<b>AMENDMENT OF THE CONDITIONS; HOLDERS' REPRESENTATIVE (§ 12)</b>		
<input type="checkbox"/>	Applicable	
<input type="checkbox"/>	Not applicable	
<input type="checkbox"/>	Intentionally left blank	

	<b>Appointment of Holders' Representative</b>		
	<input type="checkbox"/>	By resolution passed by Holders	
	<input type="checkbox"/>	In the Conditions designated:	[insert name of Holders' Representative]
<b>FURTHER ISSUANCES (§13)</b>			
	<input type="checkbox"/>	Applicable	
		[Last Issue Date for issues of further Subordinated Notes	[ ] [ ]
	<input type="checkbox"/>	Not applicable	
	<input type="checkbox"/>	Fiscal Agent	
<b>NOTICES (§ 14)</b>			
	<b>Place and medium of publication</b>		
	<input type="checkbox"/>	Clearing System	
	<input type="checkbox"/>	Deemed publication (pursuant to sub-paragraph (1))	
		Number of days	[ ]
	<input type="checkbox"/>	Place and medium of publication as requested by the rules of listing authority /stock exchange (specify listing authority /stock exchange)	[ ]
	<input type="checkbox"/>	No listing	
	<input type="checkbox"/>	Website of the Issuer	
	<input type="checkbox"/>	Newspaper	[specify name and country of newspaper]
	<input type="checkbox"/>	Deemed publication (pursuant to sub-paragraph [(1)] [(2)] [(3)] (website/newspaper))	
		Number of days	[ ]
	<input type="checkbox"/>	Other (specify)	[ ]
	<input type="checkbox"/>	Deemed publication (pursuant to sub-paragraph [1] [2] [3] [4] (more than one publication))	
		Number of days	[ ]
<b>FINAL PROVISIONS (§ 15)</b>			
	<b>Applicable Law</b>		

	<input type="checkbox"/>	Custody with an ICSD	
	<input type="checkbox"/>	As to form and content <sup>27</sup>	German law
	<input type="checkbox"/>	As to form and content, subject to § 3 (Romanian law) <sup>28</sup>	German law

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<sup>27</sup> Only applicable in the case of Ordinary Senior Notes

<sup>28</sup> Only applicable in the case of Subordinated Notes and Eligible Notes

## PART II.: OTHER INFORMATION

Interests of natural and legal persons involved in the issue		
<input type="checkbox"/>	Other interests (not included in the Prospectus under “GENERAL INFORMATION / Interests of natural and legal persons involved in the issue”)	[specify other interests]
Use of proceeds <sup>29</sup>		
	Use of Proceeds	[as set out in the Prospectus] [green bonds – specify details according to the Green Bond framework] [specify other use of proceeds]
	[Estimated net proceeds]	[ ]
	[Estimated total expenses of the issue <sup>30</sup> ]	[ ]
Selling Restrictions		
<input type="checkbox"/>	TEFRA C	
<input type="checkbox"/>	TEFRA D	
<input type="checkbox"/>	Neither TEFRA C nor TEFRA D	
ECB-eligible Security <sup>31</sup>		[Yes][No]
Securities Identification Numbers		

<sup>29</sup> See paragraph “Use of Proceeds” in the Prospectus. If the use of proceeds is different from the use of proceeds as stated in the Prospectus include such use here.

<sup>30</sup> If proceeds are intended for more than one purpose, use will need to split up and present in order of priority.

<sup>31</sup> Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) or in any other way admissible pursuant to the Eurosystem eligibility criteria, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. **[Include this text if “yes” is selected in which case the Notes must be issued in NGN form or in any other form admissible pursuant to ECB eligibility criteria.]**

Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper) or in any other way admissible pursuant to Eurosystem eligibility criteria. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

	[Interim ISIN] <sup>32</sup> [Permanent] <sup>77</sup> ISIN	<input type="checkbox"/> <input type="checkbox"/>
	[Interim Common Code] <sup>77</sup> [Permanent] <sup>77</sup> Common Code	<input type="checkbox"/> <input type="checkbox"/>
	[Interim German Securities Code] <sup>77</sup> [Permanent] <sup>77</sup> German Securities Code	<input type="checkbox"/> <input type="checkbox"/>
	Any other securities number	<input type="checkbox"/>
	<b>Yield<sup>33</sup></b>	<b>[Not applicable]</b>
	[Yield] [Unified Yield Rate]	<input type="checkbox"/> <input type="checkbox"/>
[	<b>Registration of the Administrator pursuant to the Benchmark Regulation<sup>34</sup></b>	
	Benchmark	<b>[insert name of the Benchmark]</b>
	Benchmark Administrator	<b>[insert name of the Administrator]</b>
	Registration of the Benchmark Administrator in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17 /EU and Regulation (EU) No 596/2014 (the “ <b>Benchmark Regulation</b> ”)	[Applicable] [Not applicable] [As far as the Issuer is aware, <b>[insert benchmark]</b> does not fall within the scope of the Benchmark Regulation by virtue of Article 2 of the Bench-mark Regulation] [the transitional provisions in Article 51 of the Benchmark Regulation apply], such that <b>[insert name of Administrator]</b> is not currently required to obtain <i>[insert in case relevant administrator is located within the EEA or the United Kingdom: authorisation or registration]</i> <i>[insert in case relevant administrator is located</i>

<sup>32</sup> Include only in the case of fungible tranches.

<sup>33</sup> Only applicable for Fixed Rate Notes and Zero Coupon Notes.

<sup>34</sup> Insert only in case of Notes which reference to a Benchmark, whose administrator has not been disclosed in the Prospectus.

		<i>outside the EEA or the United Kingdom: recognition, endorsement or equivalence)].]</i>
	<b>Method of distribution</b>	
<input type="checkbox"/>	Non-syndicated	
<input type="checkbox"/>	Syndicated	
	<b>Stabilising Dealer/Manager</b>	
	Stabilising Dealer/Manager	[insert details][None]
	<b>Intended Admission(s) to Trading and Listing(s) / Dealing Agreements</b>	
	Admission(s) to Trading and Listing(s)	[Yes][No][Application [has been][will be] made]
<input type="checkbox"/>	Luxembourg Stock Exchange: Admission: Regulated Market / Listing: Official List	
<input type="checkbox"/>	Bucharest Stock Exchange: Admission / Listing: Regulated Market	
<input type="checkbox"/>	Other (insert details)	[ ]
	Expected date of admission <sup>35</sup>	[ ]
	Estimate of the total expenses related to admission to trading	[ ]
	<b>Rating<sup>36</sup></b>	
	<p>[The Notes to be issued [have been] [are expected to be] rated:</p> <p>[Moody's: [●]]</p> <p>[[Other]: [●]]</p> <p>[The Notes are not expected to be rated.]</p> <p><i>[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]</i></p>	
	<p>[This credit rating [has] [is] / These credit ratings [have been] [are expected to be] issued by <b>[insert full name of legal entity which has given / is expected to give the rating]</b> which [[is] [are] established in the European Union, [is] [are] registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended and [is] [are] included in the list of credit rating agencies registered in accordance with this Regulation published by the European Securities and Markets Authority on its website (<a href="http://www.esma.europa.eu/page/List-registered-and-certified-CRAs">www.esma.europa.eu/page/List-registered-and-certified-CRAs</a>)).]</p>	

<sup>35</sup> To be completed only, if known.

<sup>36</sup> Do not complete, if the Notes are not rated on an individual basis.

	[[is] [are] not established in the European Union and [is not][are not] registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.]	
	<b>Prohibition of Sales to EEA and UK Retail Investors<sup>37</sup></b>	
	Prohibition of Sales to EEA Retail Investors:	[applicable] [not applicable]
	Prohibition of Sales to UK Retail Investors:	[applicable] [not applicable]
	<b>[Third Party Information]</b>	
	With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.]	

**[Raiffeisen Bank S.A.]**

\_\_\_\_\_  
[Name & title of signatories]

## ***DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS***

The Issuer may choose at its discretion to apply the provisions relating to resolutions of Holders under the German Act on Debt Securities (*Schuldverschreibungsgesetz* – “**SchVG**”) for certain issues of Notes. In case the rules relating to resolutions of Holders are applicable, the Holders can agree to amendments or decide on other matters relating to the Notes by way of resolution to be passed by taking votes without a meeting. Any such resolution duly adopted by resolution of the Holders shall be binding on each Holder of the respective issue of Notes, irrespective of whether such Holder took part in the vote and whether such Holder voted in favour or against such resolution.

The rules of the SchVG are, if applied by the Issuer, largely mandatory, although they permit in limited circumstances supplementary provisions set out in the Terms and Conditions.

The following is a brief overview of some of the statutory rules regarding the taking of votes without meetings and the convening and conduct of meetings of Holders, the passing and publication of resolutions as well as their implementation and challenge before German courts.

### ***Specific Rules regarding Votes without Meeting***

The voting shall be conducted by the person presiding over the taking of votes. Such person shall be (i) a notary public appointed by the Issuer, (ii) where a common representative of the Holders (the “**Holders’ Representative**”)

<sup>37</sup> If the Notes may constitute “packaged” products and no KID will be prepared, “applicable” should be specified. If the Notes may constitute “packaged” products and a KID will be prepared, “not applicable” should be specified.



has been appointed, the Holders' Representative if the vote was solicited by the Holders' Representative, or (iii) a person appointed by the competent court.

The notice soliciting the Holders' votes shall set out the period within which votes may be cast. During such voting period, the Holders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Holder's entitlement to cast a vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Holders. Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If he remedies the objection, the person presiding over the taking of votes shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, he shall promptly inform the objecting Holder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

#### ***Rules regarding Holders' Meetings applicable to Votes without Meeting***

In addition, the statutory rules applicable to the convening and conduct of Holders' meetings will apply mutatis mutandis to any vote without a meeting. The following summarises some of such rules.

Meetings of Holders may be convened by the Issuer or the Holders' Representative, if any. Meetings of Holders must be convened if one or more Holders holding five per cent or more of the outstanding Notes so require for specified reasons permitted by statute.

The convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

Each Holder may be represented by proxy. A quorum exists if Holders' representing by value not less than 50 per cent of the outstanding Notes. If the quorum is not reached, a second meeting may be called at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a quorum requires the presence of at least 25 per cent. of the aggregate principal amount of outstanding Notes.

All resolutions adopted must be properly published. In the case of Notes represented by one or more Global Notes, resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the relevant Global Note(s).

In insolvency proceedings instituted in Germany against an Issuer, a Holders' Representative, if appointed, is obliged and exclusively entitled to assert the Holders' rights under the Notes. Any resolutions passed by the Holders are subject to the provisions of the Insolvency Code (*Insolvenzordnung*).

If a resolution constitutes a breach of the statute or the Conditions, Holders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

## SUBSCRIPTION AND SALE

The Issuer and the Dealers have entered into the Dealer Agreement as a basis upon which they or any of them may from time to time agree to purchase Notes.

### Selling Restrictions

#### 1. General

Each Dealer has agreed and each New Dealer appointed under the Programme will be required to represent and agree that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer and any other Dealer shall have any responsibility therefor. Neither the Issuer nor any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer(s) will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer(s) shall agree and as shall be set out in the applicable Final Terms.

#### 2. Public Offer Selling Restriction under the Prospectus Regulation

If the Final Terms in respect of any Notes specify “*Prohibition of Sales to EEA Retail Investors*” as “*Not Applicable*”, in relation to each Member State of the European Economic Area (each, a “**Relevant State**”), each Dealer has represented and agreed, and each New Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State, except that it may make an offer of such Notes to the public in that Relevant State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1 (4) of the Prospectus Regulation in that Relevant State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, 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 any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,  
  
provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

### 3. Prohibition of Sales to EEA Investors

Unless the Final Terms in respect of any Notes specify the “*Prohibition of Sales to EEA Retail Investors*” as “*Not Applicable*”, each Dealer has represented and agreed, and each New Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive (EU) 2014/65 (as amended, “MiFID II”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”); and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### 4. Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies “*Prohibition of Sales to UK Retail Investors*” as “*Not Applicable*”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression retail investor means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (EUWA); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies “*Prohibition of Sales to UK Retail Investors*” as “*Not Applicable*”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a Public Offer), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, 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 Public Offer;
  - (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA;
  - (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
  - (d) at any time in any other circumstances falling within section 86 of the FSMA,
- provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## 5. United States of America (the “United States”)

Each Dealer has acknowledged that the Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, any Note constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to a Note.

From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set forth in Article 4.1(l) of the Dealer Agreement, each Dealer (a) has acknowledged that the Notes have not been and will not be registered under the Securities Act; (b) has represented and agreed that it has not offered, sold or delivered any Notes, and will not offer, sell or deliver any Notes, (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and closing date, within the United States or to, or for the account or benefit of, U.S. persons and it has and will only offer, sell or deliver any Notes in accordance with Rule 903 of Regulation S under the Securities Act; and accordingly, (c) has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirements of Regulation S. Each Dealer who has purchased Notes of a Tranche hereunder shall determine and notify to the Fiscal Agent the completion of the distribution of the Notes of such Tranche.

Terms used in the above paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the Issuer.

Notes, other than Notes with an initial maturity of one year or less, will be issued in accordance with provisions identical to those described in the United States Treasury Regulation § 1.163-5(c)(2)(i)(d) (the “**TEFRA D Rules**”),

or in accordance with provisions identical to those described in the United States Treasury Regulation § 1.163-5(c)(2)(i)(c) (the “**TEFRA C Rules**”), as indicated in the applicable Final Terms.

In addition, in respect of Notes issued in accordance with the TEFRA D Rules, each Dealer has represented and agreed that:

- (a) except to the extent permitted under the TEFRA D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive notes in bearer form that are sold during the restricted period;
- (b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;
- (c) if such Dealer is a United States person, it represents that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of provisions identical to those described in the United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(6);
- (d) it acknowledges that an offer or sale will be considered to be made in the United States or its possessions if it has an address within the United States or its possessions for the offeree or purchaser of a Note subject to such offer or sale; and
- (e) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (i) has repeated and confirmed the representations and agreements contained in paragraphs (a), (b), (c) and (d) on such affiliate’s behalf or (ii) has agreed that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in paragraphs (a), (b), (c) and (d).

Terms used in the above paragraphs (a) to (e) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

In addition, where the TEFRA C Rules are indicated in the relevant Final Terms as being applicable to any Tranche of Notes, Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed in connection with the original issuance of Notes in bearer form, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such Dealer or purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Each Dealer has further represented that it has not advertised or promoted, and will not advertise or promote, directly or indirectly, any Notes in bearer form from or within the United States or its possessions or to prospective purchasers in the United States or its possessions. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA C Rules.

Each issue of index, commodity or currency linked Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer(s) may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the Final Terms. Each Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U. S. selling restrictions.

## **6. Selling Restrictions Addressing Additional United Kingdom Securities Laws**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## 7. Selling Restrictions Addressing Additional Netherlands Securities Laws

Each Dealer has represented and agreed, and each New Dealer appointed under the Programme will be required to represent and agree, that Zero Coupon Notes (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam N.V., with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations.

No such mediation is required in respect of: (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of their initial distribution or immediately thereafter.

In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Zero Coupon Notes. For purposes of this paragraph “**Zero Coupon Notes**” means notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## 8. Hungary

In case of a Hungarian private placement or a Hungarian offering to the public which complies with paragraphs (a) to (e) and (j) of Article 1(4) of the Prospectus Regulation, each Dealer has acknowledged that the Notes may only be offered in Hungary in compliance with the provisions of the Hungarian Capital Markets Act and the Prospectus Regulation which governs the offer and sale of securities in Hungary. The recipients of this Prospectus or other selling material in respect of the Notes have been individually selected and identified before any offer being made and are targeted exclusively on the basis of a private placement or on the basis of an offering to the public which complies with paragraphs (a) to (e) and (j) of Article 1(4) of the Prospectus Regulation. No distribution or publication of this Prospectus is made to persons other than the recipients to whom this document is personally addressed. Accordingly, each Dealer has represented and agreed that the Notes have not been and will not be offered or advertised publicly under the Hungarian Capital Markets Act. Accordingly, each Dealer represents and agrees that the Notes have not been and will not be advertised, offered or sold, and neither this Prospectus nor any other information circular, brochure or similar document have been or will be distributed, directly or indirectly, to any

person in Hungary other than as listed in Section 14 of the Hungarian Capital Markets Act or as specified in paragraphs (a) to (e) and (j) of Article 1(4) of the Prospectus Regulation.

## **9. Czech Republic**

Each Dealer has acknowledged that the Prospectus (including all supplements thereto) has been approved by the CSSF in its capacity as the competent authority and the Issuer has applied for a notification of the Prospectus into the Czech Republic. Accordingly, public offering of the Notes in the Czech Republic will be enabled upon the provision by the CSSF to the Czech National Bank (as the competent authority under the Prospectus Regulation in the Czech Republic) of a certificate of approval for the Prospectus along with the Prospectus and a translation of the summary into the Czech language, and concurrent notification of the European Securities and Market Authority (ESMA), in each case in line with Articles 24 and 25, as applicable, of the Prospectus Regulation.

However, the foregoing is without prejudice to the restrictions that apply when any offer of the Notes in the Czech Republic is made in accordance with the applicable exemptions under the Prospectus Regulation, including, but not limited to, offering and/or distribution addressed exclusively to “qualified investors” as defined in the Prospectus Regulation.

## **10. Slovakia**

Each Dealer has acknowledged that the Prospectus (including all supplements thereto) has been approved by the CSSF in its capacity as the competent authority and the Issuer has applied for a notification of the Prospectus (including all supplements thereto) into the Slovak Republic. Accordingly, public offering of the Notes in the Slovak Republic will be enabled upon the provision by the CSSF to the National Bank of Slovakia (as the competent authority in the Slovak Republic) of a certificate of approval for the Prospectus (including all supplements thereto) along with the Prospectus and a translation of the summary into the Slovak language, and concurrent notification of the European Securities and Market Authority (ESMA), in each case in line with Article 24 of the Prospectus Regulation.

However, the foregoing is without prejudice to the restrictions that apply when any offer of the Notes in the Slovak Republic is made in accordance with the applicable exemptions under the Prospectus Regulation, especially those listed under Article 1(3) and (4) thereof, including, but not limited to, offering and/or distribution addressed exclusively to “qualified investors” as defined in the Prospectus Regulation.

## **11. Switzerland**

Unless stated otherwise in the applicable Final Terms, (a) each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not, directly or indirectly, in or into Switzerland (i) offer, sell, or advertise the Notes, or (ii) distribute or otherwise make available the Prospectus (including the applicable Final Terms) or any other document relating to the Notes, in a way that would constitute a public offering within the meaning article 35 of the Swiss Financial Services Act (the “**FinSA**”), except under the following exemptions under the FinSA: (y) to any investor that qualifies as a professional client within the meaning of the FinSA, or (z) in any other circumstances falling within article 36 of the FinSA, provided, in each case, that no such offer of Notes referred to in (y) and (z) above shall require the publication of a prospectus for offers of Notes pursuant to the FinSA, and (b) each Dealer has acknowledged and agreed, and each further Dealer appointed under the Programme will be required to acknowledge and agree, that neither this Prospectus nor any other document related to the Notes constitutes (i) a prospectus as such term is understood pursuant article 35 FinSA and the implementing ordinance to the FinSA, or (ii) a key information document within the meaning of article 58 FinSA (if and when entered into force).

## **12. Russia**

Each Dealer has represented, warranted and agreed that neither this Prospectus nor the information contained herein is an offer, or an invitation to make offers, to sell, exchange or otherwise transfer securities in the Russian Federation to or for the benefit of any Russian person or entity, and it does not constitute an advertisement or offering of securities in the Russian Federation within the meaning of Russian securities laws. Information contained in this Prospectus is not intended for any persons in the Russian Federation who are not “qualified investors” within the

meaning of Article 51.2 of the Federal Law No. 39-FZ “On the Securities Market” dated 22 April 1996, as amended (the “**Russian QIs**”), and must not be distributed or circulated into Russia or made available in Russia to any persons who are not Russian QIs, unless and to the extent they are otherwise permitted to access such information under Russian law. The Notes have not been and will not be registered in Russia and are not intended for “placement” or “circulation” in Russia (each as defined in Russian securities laws) unless and to the extent otherwise permitted under Russian law.

### **13. Japan**

Each Dealer has acknowledged and each further Dealer to be appointed under the Programme will be required to acknowledge that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer to be appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **14. Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”)) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

### **15. People’s Republic of China**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the offer of the Notes is not an offer of securities within the meaning of the securities laws of the People’s Republic of China or other pertinent laws and regulations of the People’s Republic of China and that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

### **16. Singapore**

This Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA,



- (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (b) where no consideration is or will be given for the transfer; or
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In this section “15. Singapore” of “*Subscription and Sale – Selling Restrictions*”, any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

## **17. Taiwan / Republic of China**

The Notes have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be issued, offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of Taiwan. No person or entity in Taiwan has been authorised to offer or sell the Notes in Taiwan.

## **18. Romania**

Each Dealer has represented and agreed, and each New Dealer appointed under the Programme will be required to represent and agree, that it complies and will comply with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, as amended (“**Law No. 24/2017**”) and the Prospectus Regulation in connection with the offering of the Notes in Romania and that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus or the Final Terms except that it may, make an offer of such Notes to the public in Romania:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made pursuant to an exemption from the obligation to publish a prospectus as set out under Article 1 (4) of the Prospectus Regulation including :

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation and by Article 2 (2) letter o) of the Regulation No. 5/2018 on issuers and operations with securities (“Regulation No. 5/2018”);
- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation and Article 2 para (2) letter o) of the Regulation No. 5/2018), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iii) at any time on the basis of any other exemptions from the obligation to prepare and publish a prospectus provided by Article 1 (4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to the Prospectus Regulation or Article 6 of Regulation no. 5/2018 or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation or

- (b) following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in Romania or, where appropriate, approved in another Member State and notified to the Romanian Financial Supervisory Authority, provided that any such prospectus has subsequently been completed by the final terms contemplating such offer, in accordance with the Prospectus Regulation, 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 offer.

Any subsequent sale of the Notes in Romania, which were previously offered in the cases referred to in (a) to (b) above must be made in compliance with the public offer and the prospectus requirement rules and a new assessment of the application of any exemption from the requirement to prepare and publish a prospectus must be made.

For the purpose of this provision, the expression “offer of securities to the public” in relation to any of the Notes means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the Notes to be offered, so as to enable an investor to decide to purchase or subscribe for the Notes..

## **19. United Arab Emirates (excluding the Dubai International Financial Centre)**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

## **20. Dubai International Financial Centre**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (MKT) Module of the rulebook of the Dubai Financial Services Authority (the “DFSA Rulebook”); and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook.

## **21. South Korea**

The Notes have not been registered with the Financial Services Commission of Korea for public offering in Korea. None of the Notes may be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Financial Investment Services and Capital Markets Act and the decrees and regulations thereunder and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (collectively, the “**Foreign Exchange Transaction Law**”). Without prejudice to the foregoing, the

number of Notes offered in Korea or to a resident in Korea shall be less than 50 and for a period of one year from the issue date of the Notes, none of the Notes may be divided resulting in an increased number of Notes. Furthermore, the purchaser of the Notes shall comply with all applicable regulatory requirements (including but not limited to requirements under the Foreign Exchange Transaction Law) in connection with the purchase of the Notes.]

### **WARNING REGARDING TAXATION**

Prospective purchasers of notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of notes, including the effect of any state or local taxes, under the tax laws of Romania and each country of which they are residents or which they may otherwise be liable for taxes. The respective relevant tax legislation may have an impact on the income received from the notes.

## GENERAL INFORMATION

### ***Responsibility Statement***

The Issuer, **RAIFFEISEN BANK S.A.**, with its registered office at 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7th, 10th and 15th, Bucharest 1st District, Romania, accepts responsibility for the information contained in this Prospectus.

The Issuer declares that, to the best of its knowledge, the information contained in this Prospectus for which it is responsible is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

By approving this Prospectus, the CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer pursuant to Article 6 (4) of the Luxembourg Prospectus Law.

### ***Interests of Natural and Legal Persons Involved in the Issue***

The Dealers and their affiliates may be customers of, borrowers from or creditors of the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### ***Reasons for the Issue and Use of Proceeds***

The reasons for the issue are to generate funding, to hedge certain risks or to take advantage of current market opportunities (arbitrage).

If, in respect of any particular issue, there exists a particular identified use of proceeds other than using the net proceeds for the above-mentioned reasons or an amount equivalent to the net proceeds, then this will be stated in the relevant Final Terms. In any case, the Issuer is free in the use of proceeds from each issue of Notes. This also applies in case of Green Bonds which are intended to serve the refinancing of eligible assets as further specified in the Final Terms.

### ***Green Bonds***

The Issuer provides more details with regard to its Green Bond issues in its Green Bond Framework which is disclosed on the Issuer's website (under <https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/detinatori-de-obligatiuni/>) and in the relevant Final Terms under the section "Use of proceeds". Such Green Bond Framework may be updated from time to time. The Issuer mandated a recognised second party opinion provider, which is Sustainalytics. Sustainalytics evaluated the robustness and credibility of the Issuer's Green Bond Framework and intended use of proceeds in terms of its alignment with relevant industry standards, including the ICMA Green Bond Principles 2018 (as amended from time to time). On such basis, the second party opinion provider reviewed the Issuer's Green Bond Framework and provided its opinion thereon, which is also disclosed on the Issuer's website (under <https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/detinatori-de-obligatiuni/>).

### ***Method to determine the yield***

The method to determine the yield is the ICMA method. The ICMA method determines the effective interest rate of fixed rate notes taking into account accrued interest on a daily basis.

### ***Method of determining the price and the process for its disclosure***

#### ***In case of syndicate issuances***

The Issuer will determine the issue price for each Tranche of Notes in its sole discretion taking into consideration general interest levels and the demand of potential investors as shown in the book building process for such Tranche of Notes and/or after consultation of the financial institutions involved in the issue. The issue price so determined will be disclosed in the relevant Final Terms, if required.

#### ***In case of non-syndicated issuances***

The Issuer will determine the issue price for each Tranche of Notes in its sole discretion taking into consideration a minimum and a maximum issue price. Depended of the market condition at the time of a specific issuances the Issuer will set the issue price between the previously fixed minimum and maximum issue price. The issue price so determined will be disclosed in the relevant Final Terms, if required.

### ***Notes which are redeemed on the Maturity Date at a percentage of their principal amount***

Notes will be redeemed on the Maturity Date at a redemption amount or at a percentage of their principal amount in the Specified Currency or another currency. In the case of Notes which are redeemed on the Maturity Date at a percentage of their principal amount, such percentage rate will be specified in the applicable Final Terms. However, the redemption amount may not be less than the principal amount of the Notes. The redemption amount with respect to Notes other than Zero Coupon Notes will be determined at the Issuer's sole discretion and will be at least equal to the principal amount. The redemption amount with respect to Zero Coupon Notes will be determined at the Issuer's sole discretion and will be at least equal to the capital invested.

### ***Notes with a term of less than 12 months***

Under the Prospectus Regulation, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to CSSF's approval. Therefore, the approval of this Prospectus does not cover Notes issued under the Programme which have a maturity at issue of less than 12 months.

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

The Notes are freely transferable.

### ***MiFID Product Governance / Target Market***

The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which may outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

### ***Authorisation***

The issuance of Notes under the Programme is approved by the Issuer's Extraordinary General Meeting of Shareholders resolution dated 23 April 2019 and by the Issuer's Management Board resolution dated 19 April 2021

and covered by the Issuer's Board of Management's and Supervisory Board's approval of an annual funding plan determining the total annual issuance volume.

## DEFINITIONS AND LIST OF ABBREVIATIONS

<b>“Annual Consolidated Financial Statements”</b>	means the Issuer and its consolidated subsidiaries (the <b>“Group”</b> ) audited consolidated financial statements for the year ended 31 December 2020 that include the comparative figures for the year ended 31 December 2019, prepared in accordance with IFRS.
<b>“ANPC”</b>	the National Authority for Consumer Protection in Romania.
<b>“Articles of Association”</b>	the articles of association of the Issuer.
<b>“Applicable Law”</b>	means the legislation of Romania and the European Union as applicable in Romania (including secondary or delegated legislation, and any regulations, decisions or rules of any public authority which are legally binding) in force, as the same may be amended or replaced from time to time.
<b>“Auditor”</b>	means Ernst & Young Assurance Services SRL.
<b>“Brexit”</b>	the United Kingdom referendum resulting in a withdrawal of the United Kingdom from the European Union.
<b>“BRRD”</b>	means 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, as the same may be amended or replaced from time to time.
<b>“BSE”</b>	means Bucharest Stock Exchange, a Romanian joint stock company having its registered office at 34–36 Carol I Blvd., 14th floor, district 2, Bucharest, Romania.
<b>“Capital Regulations”</b>	means, at any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity for credit institutions of either (i) the National Bank of Romania and/or (ii) any other national or European authority, in each case then in effect in Romania and applicable to the Issuer, including, as at the date hereof, CRR, CRD, BRRD, as well as any delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority, each as amended from time to time, or such other acts as may come into effect in place thereof and any references in these Terms and Conditions to relevant articles of the Capital Regulations include references to any applicable provisions of law amending or replacing such articles from time to time.
<b>“CEE”</b>	Central and Eastern Europe.
<b>“Central Depository”</b>	means Depozitarul Central S.A., a Romanian joint stock company having its registered office at 34-36 Carol I Blvd., 3rd, 8th and 9th floors, Bucharest, 020922, Romania.
<b>“Central Depository Regulations”</b>	means rules and regulations, resolutions, procedures and other regulations adopted by the Central Depository, defining the conduct of the Central Depository system, in particular the Rulebook of the Central Depository.
<b>“CRD IV”</b>	Directive 2013/36/EU 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



	and 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.
<b>“CRR”</b>	means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.
<b>“Delegated Regulation 2019/980”</b>	means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 as the same may be amended or replaced from time to time.
<b>“EBA”</b>	means the European Banking Authority.
<b>“EEA”</b>	the European Economic Area.
<b>“EIF”</b>	European Investment Fund.
<b>“EU”</b>	the European Union
<b>“EUR”/“cents”/ “€” “EUR”, “Euro”</b>	means references to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.
<b>“Fitch”</b>	Fitch Ratings Ltd
<b>“FSA”</b>	the Romanian Financial Supervisory Authority.
<b>“General Data Protection Regulation”</b>	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.
<b>“Group”</b>	means the Issuer and its consolidated subsidiaries.
<b>“IFRS”</b>	International Financial Reporting Standards, as adopted by the European Union.
<b>“IFRS 9”</b>	International Financial Reporting Standard IFRS 9 “Financial Instruments”.
<b>“Interest”</b>	means the variable amount of interest payable by the Issuer for the Notes in accordance with the relevant Section 4 of the Terms and Conditions herein.
<b>“ISIN”</b>	International Security Identification Number, that is an international identification code assigned to securities issued in financial markets.
<b>“Issuer” or the “Company”</b>	Raiffeisen Bank S.A.
<b>“Issuer’s Website”</b>	the website with the address <a href="https://www.raiffeisen.ro/">https://www.raiffeisen.ro/</a> .
<b>“Law 24/2017”</b>	means Law no. 24/2017 on issuers of financial instruments and market operations, as amended or replaced from time to time.
<b>“Lux SE”</b>	means Société de la Bourse de Luxembourg (operating under the commercial name of Luxembourg Stock Exchange).

<b>“Management Board”</b>	means the management board of the Issuer.
<b>“MiFID II”</b>	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU Markets in Financial Instruments Directive.
<b>“Member State”</b>	a member state of the EEA.
<b>“MiFIR”</b>	Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012 (Markets in Financial Instruments Regulation).
<b>“Moody’s”</b>	Moody’s Deutschland GmbH.
<b>“NBR”</b>	the National Bank of Romania.
<b>“Notes”</b>	means any of the Notes issued under this Prospectus, including (i) ordinary senior notes; (ii) ordinary senior eligible notes and non-preferred senior eligible notes; and (iii) subordinated notes.
<b>“Notices”</b>	means the notices sent in accordance with the relevant Section 14 of the Terms and Conditions herein.
<b>“O-SII”</b>	other systemically important institution
<b>“Paying Agent”</b>	the initial paying agent in connection with the Notes is the The Bank of New York Mellon, London Branch; the term “Paying Agent” shall include any successor Paying Agent, as appointed from time to time by the Issuer.
<b>“PRIIPs Regulation”</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.
<b>“Prospectus”</b>	means this Prospectus, as supplemented from time to time.
<b>“Prospectus Regulation”</b>	means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.
<b>“Qualified Investors”</b>	persons who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation.
<b>“RBI Group”</b>	means Raiffeisen Bank International AG and its subsidiaries.
<b>“Reference Banks”</b>	means the offices of not less than four (4) major banks in the Romanian interbank market.
<b>“ROBOR”</b>	means Romanian Interbank Offered Rate.
<b>“Romanian Insolvency Act”</b>	Law no. 85/2014 on insolvency prevention procedures and on insolvency procedure ( <i>Legea 85/2014 privind procedurile de prevenire a insolvenței și de insolvență</i> ), as amended or replaced from time to time.
<b>“Romanian Recovery and Resolution Act”</b>	means Law 312/2015 regarding the recovery and resolution of the credit institutions and investment firms, as well as for amending and supplementing certain normative acts in the financial matter ( <i>Legea 312/2015 privind redresarea și rezoluția instituțiilor de credit și a firmelor de investiții, precum</i>

*și pentru modificarea și completarea unor acte normative în domeniul financiar), as amended or replaced from time to time.*

<b>“RON”, “Leu” or “Lei”</b>	the currency of Romania.
<b>“Securities Act”</b>	United States Securities Act of 1933, as further amended.
<b>“SEE”</b>	South Eastern Europe.
<b>“SME”</b>	small and medium enterprise.
<b>“SREP”</b>	Supervisory Review and Evaluation Process
<b>“Supervisory Board”</b>	means the supervisory board of the Issuer.
<b>“Tier 2 instrument”</b>	has the meaning given in Capital Regulations.
<b>“UK”</b>	United Kingdom
<b>“United States” or “U.S.”</b>	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia
<b>“USD”</b>	the lawful currency of the United States of America

## **NAMES AND ADDRESSES**

### **Issuer**

Raiffeisen Bank S.A.  
246C Calea Floreasca  
Sky Tower Building,  
floors 2nd – 7th, 10th and 15th,  
Bucharest 1st District,  
Romania

### **Arrangers and Dealers**

Raiffeisen Bank International AG  
Am Stadtpark 9  
1030 Vienna  
Austria

Raiffeisen Bank S.A.  
246C Calea Floreasca  
Sky Tower Building,  
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Bucharest 1st District,  
Romania

### **Fiscal Agent**

The Bank of New York Mellon, London Branch  
One Canada Square  
London E14 5AL  
United Kingdom

### **Legal Advisors to the Issuer**

as to German law  
Freshfields Bruckhaus Deringer  
Rechtsanwälte Steuerberater PartG mbB  
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60322 Frankfurt am Main  
Germany

as to Romanian law  
WOLF THEISS Rechtsanwälte GmbH & Co KG  
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Romania

### **Legal Advisors to the Dealers**

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Große Gallusstraße 18  
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### **Independent Auditors**

Ernst & Young Assurance Services Srl  
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