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ISIN: DE000HW6JPJ1

PART A - GENERAL CONDITIONS OF THE SECURITIES

(the "**General Conditions**")

§ 1

Form, Clearing System, Global Note, Custody

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit Bank AG (the "**Issuer**") will be issued as certificates in bearer form pursuant to these Terms and Conditions with a Nominal Amount in the Specified Currency
- (2) *Global Note:* The Securities are represented by a global note (the "**Global Note**") without interest coupons, which bears the manual or facsimile signatures of two authorised signatories of the Issuer. The Security Holders are not entitled to receive definitive Securities. The Securities as co-ownership interests in the Global Note may be transferred pursuant to the relevant regulations of the Clearing System.
- (3) *Custody:* The Global Note will be kept in custody by Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn ("**CBF**").

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany. The Issuer may appoint additional paying agents (the "**Paying Agents**") and revoke such appointment. The appointment and revocation shall be published pursuant to § 6 of the General Conditions.
- (2) *Calculation Agent:* The "**Calculation Agent**" is UniCredit Bank AG, Arabellastraße 12, 81925 Munich.
- (3) *Transfer of functions:* Should any event occur which results in the Principal Paying Agent or Calculation Agent being unable to continue in its function as Principal Paying Agent or Calculation Agent, the Issuer is obliged to appoint another bank of international standing as Principal Paying Agent or another person or institution with the relevant expertise as Calculation Agent. Any such transfer of the functions of the Principal Paying Agent or Calculation Agent shall be notified by the Issuer without undue delay pursuant to § 6 of the General Conditions.
- (4) *Agents of the Issuer:* In connection with the Securities, the Principal Paying Agent, the Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Security Holders. The Principal Paying Agent and the Paying Agents shall be exempt from the restrictions of § 181 German Civil Code (Bürgerliches Gesetzbuch, "**BGB**").

§ 3

Taxes

No gross up: Payments in respect of the Securities shall only be made after deduction and withholding of current or future taxes, to the extent that such deduction or withholding is required by law. In this regard the term "**Taxes**" includes taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, including a withholding tax pursuant to Section 871(m) of the United States Internal Revenue Code of 1986 ("**871(m) Withholding Tax**").

The Issuer shall in any case be entitled to take into consideration the 871(m) Withholding Tax by applying the maximum tax rate as a flat rate (plus value added tax, if applicable). In no case the Issuer is obliged to compensate with respect to any Taxes deducted or withheld.

The Issuer shall report on the deducted and withheld Taxes to the competent government agencies, except, these obligations are imposed upon any other person involved, subject to the legal and contractual requirements of the respective applicable tax rules.

§ 4

Status

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

§ 5

Substitution of the Issuer

- (1) The Issuer may without the consent of the Security Holders, if no payment of principal or interest on any of the Securities is in default, at any time substitute the Issuer for any Affiliate of the Issuer as principal debtor in respect of all obligations of the Issuer under the Securities (the "**New Issuer**"), provided that
 - (a) the New Issuer assumes all obligations of the Issuer in respect of the Securities,
 - (b) the Issuer and the New Issuer have obtained all necessary authorizations and may transfer to the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the New Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
 - (c) the New Issuer has agreed to indemnify and hold harmless each Security Holder against any tax, duty or other governmental charge imposed on such Security Holder in respect of such substitution and
 - (d) the Issuer guarantees proper payment of the amounts due under these Terms and Conditions.

For purposes of this § 5 (1) "**Affiliate**" means an affiliated company (verbundenes Unternehmen)

within the meaning of Section 15 of the German Stock Corporation Act (Aktiengesetz).

- (2) *Notice:* Any such substitution shall be notified in accordance with § 6 of the General Conditions.
- (3) *References:* In the event of any such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the New Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the New Issuer.

§ 6

Notices

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

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

- (2) To the extent permitted by law the Issuer shall be entitled to replace a notification according to paragraph (1) by a notice to the Clearing System for distribution to the Security Holders, provided that in cases, in which the Securities are listed on a stock exchange, the regulations of such stock exchange permit this type of notice. Any such notice shall be deemed as having been conveyed to the Security Holders as of the seventh day after the date of the notice to the Clearing System.

§ 7

Issuance of additional Securities, Repurchase

- (1) *Issuance of additional Securities:* The Issuer reserves the right from time to time without the consent of the Security Holders to issue additional Securities with identical terms and conditions (except for the issue date and the issue price), so that the same shall be consolidated and form a single series (the "**Series**") with this Tranche. The term "Securities" shall, in the event of such increase, also comprise all additionally issued Securities.
- (2) *Repurchase:* The Issuer shall be entitled at any time to purchase Securities in the market or otherwise and at any price. Securities repurchased by the Issuer may, at the Issuer's discretion, be held, resold or forwarded to the Principal Paying Agent for cancellation.

§ 8

Presentation Period

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

§ 9

Partial Invalidity, Corrections

- (1) *Invalidity:* Should any provision of these Terms and Conditions be or become invalid or unenforceable in whole or in part, the remaining provisions are not affected thereby. Any gap arising as a result of invalidity or unenforceability of these Terms and Conditions is to be filled with a provision that corresponds to the meaning and intent of these Terms and Conditions and is in the interest of the parties.
- (2) *Typing and calculation errors:* Obvious typing and calculation errors or similar obvious errors in these Terms and Conditions entitle the Issuer to rescission vis-à-vis the Security Holders. The rescission must be declared without undue delay upon obtaining knowledge of such cause for rescission in accordance with § 6 of the General Conditions. Following such rescission by the Issuer, the Security Holder can instruct his depository bank to submit a duly completed redemption declaration to the Principal Paying Agent on a form available there and by giving all information and declarations required by the form (the "**Redemption Declaration**") and demand the refunding of the Acquisition Price against transfer of the Securities to the account of the Principal Paying Agent with the Clearing System. The Issuer will until at the latest 30 calendar days after receipt of the Redemption Declaration or the Securities by the Principal Paying Agent (whatever is the later date) make the Acquisition Price available to the Principal Paying Agent, which will transfer it to the account listed in the Redemption Declaration. With the payment of the Acquisition Price all rights deriving from the submitted Securities cease to exist.
- (3) *Offer to continue:* The Issuer may combine the declaration of rescission pursuant to paragraph (2) above with an offer to continue the Securities under amended terms and conditions. The Security Holders will be informed of such an offer as well as the amended provisions together with the declaration of rescission in accordance with § 6 of the General Conditions. Such an offer is deemed to be accepted by the Security Holder (with the effect that the consequences of the rescission do not become effective) if the Security Holder does not within four weeks after the offer becoming effective pursuant to § 6 of the General Conditions demand the repayment of the Acquisition Price by submitting a duly completed Redemption Declaration via his depository bank to the Principal Paying Agent and the transfer of the Securities to the account of Principal Paying Agent with the Clearing System in accordance with paragraph (2) above. The Issuer will refer to this effect in the notice.
- (4) *Acquisition Price:* As used in paragraphs (2) and (3) above, the "**Acquisition Price**" is the actual acquisition price paid by each Security Holder (as stated and confirmed in the Redemption Declaration) or the weighted arithmetic mean of the trading prices of the Securities, as determined by the Issuer in its reasonable discretion (§ 315 et seq. BGB), on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, respectively, depending on which of these amounts is the higher one. If a market disruption pursuant to § 7 of the Special Conditions exists on the Banking Day preceding the declaration of rescission pursuant to paragraph (2) above, the last Banking Day preceding the rescission pursuant to paragraph (2) above on which no market disruption

existed shall be decisive for the determination of the Acquisition Price in accordance with the preceding sentence.

- (5) *Incomplete or inconsistent provisions:* The Issuer is entitled to correct or amend incomplete or inconsistent provisions in these Terms and Conditions in its reasonable discretion (§ 315 et seq. BGB). Only corrections and amendments that are reasonable for the Security Holders taking into account the interests of the Issuer and that in particular do not materially impair the legal and financial situation of the Security Holders will be permitted. The Security Holders will be informed of such corrections and supplementations pursuant to § 6 of the General Conditions.
- (6) *Adherence to corrected Terms and Conditions:* If the Security Holder was aware of typing or calculation errors or similar errors in these Terms and Conditions when purchasing the Securities, the Issuer is entitled to adhere to the Terms and Conditions amended accordingly irrespective of paragraphs (2) to (5) above.

§ 10

Applicable Law, Place of Performance, Place of Jurisdiction

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

PART B – PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

First Trade Date: 31 January 2023

Initial Observation Date: 30 January 2023

Issue Date: 31 January 2023

N: 2

Nominal Amount: EUR 1,000.00

Specified Currency: Euro ("EUR")

Website for Notices: www.investimenti.unicredit.it

Table 1.1

ISIN	WKN	Series Number	Tranche Number	Issue Volume of Series in units	Issue Volume of Tranche in units	Issue Price
DE000HW6JPJ1	HW6JPJ	MC096968	1	4,000	4,000	EUR 1,000.00

Table 1.2

Barrier Level	Strike	Maximum Amount
51%	100%	EUR 1,000

Table 1.3

i	Basket Component_i	Reference Price_i
1	ENI S.p.A.	Prezzo di Riferimento
2	RWE AG	Closing price

Table 1.4

Final Observation Date	Barrier Observation Date	Final Payment Date	Expiry Date (<i>Data di Scadenza</i>)
27 January 2025	27 January 2025	3 February 2025	3 February 2025

Table 1.5

m	Observation Date (m)	Record Date	Additional Conditional Amount (m)	Additional Conditional Amount Payment Level (m)	Additional Conditional Amount Payment Date (m)
1	25 April 2023	2 May 2023	EUR 52.00	100%	3 May 2023
2	27 July 2023	2 August 2023	EUR 104.00	100%	3 August 2023
3	27 October 2023	2 November 2023	EUR 156.00	100%	3 November 2023
4	29 January 2024	2 February 2024	EUR 208.00	100%	5 February 2024
5	25 April 2024	2 May 2024	EUR 260.00	100%	3 May 2024
6	29 July 2024	2 August 2024	EUR 312.00	100%	5 August 2024
7	28 October 2024	1 November 2024	EUR 364.00	100%	4 November 2024
8	27 January 2025	31 January 2025	EUR 416.00	100%	3 February 2025

Table 1.6

k	Observation Date (k)	Early Redemption Amount (k)	Early Redemption Level_i (k)	Early Payment Date (k)
1	25 April 2023	EUR 1,000.00	100%	3 May 2023
2	27 July 2023	EUR 1,000.00	100%	3 August 2023
3	27 October 2023	EUR 1,000.00	100%	3 November 2023
4	29 January 2024	EUR 1,000.00	100%	5 February 2024
5	25 April 2024	EUR 1,000.00	100%	3 May 2024
6	29 July 2024	EUR 1,000.00	100%	5 August 2024
7	28 October 2024	EUR 1,000.00	100%	4 November 2024

§ 2

Underlying Data

Table 2.1

Basket Component _i	Currency of the Basket Component _i	ISIN _i	Reuters _i	Bloomberg _i	Relevant Exchange _i	Website _i
ENI S.p.A.	EUR	IT0003132476	ENI.MI	ENI IM Equity	Borsa Italiana	www.eni.it
RWE AG	EUR	DE0007037129	RWEG.DE	RWE GY Equity	Frankfurter Wertpapierbörse (Xetra®)	www.rwe.com

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

PART C – SPECIAL CONDITIONS OF THE SECURITIES

(the "**Special Conditions**")

§ 1

Definitions

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

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

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

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

"Adjustment Event" means each of the following events:

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

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

"Barrier_i" means Barrier Level x K_i (initial).

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

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

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

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

"Calculation Date" means each day on which the Reference Price_i is published by the respective Relevant Exchange_i.

"Call Event" means Share Call Event.

"Change in Law" means that due to

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

if such changes become effective on or after the First Trade Date, the holding, acquisition or sale of the respective Basket Component_i or assets that are needed in order to hedge price risks or other risks with respect to its obligations under the Securities is or becomes wholly or partially illegal for the Issuer.

The Issuer determines in its reasonable discretion (§ 315 et seq. BGB) whether this is the case.

"Clearance System" means the principal domestic clearance system customarily used for settling trades with respect to the respective Basket Component_i as determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB).

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

"Clearing System" means Clearstream Banking AG, Frankfurt, Mergenthalerallee 61, 65760 Eschborn ("**CBF**").

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

"Determining Futures Exchange_i" means the options and/or futures exchange, on which respective derivatives of the respective Basket Component_i (the "**Derivatives**") are mostly liquidly traded, such options and/or futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) by way of notice pursuant to § 6 of the General Conditions.

In the case of a material change in the market conditions at the Determining Futures Exchange_i, such as a final discontinuation of derivatives' quotation linked to the respective Basket Component_i at the Determining Futures Exchange_i, or a considerably restricted number or liquidity, it shall be substituted as the Determining Futures Exchange_i by another options and/or futures exchange that offers satisfactorily liquid trading in the Derivatives (the "**Substitute Futures Exchange_i**"); such options and/or futures exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In the event of such substitution, any reference to the Determining Futures Exchange_i in these Terms and Conditions of these Securities shall from then on be deemed to refer to the Substitute Futures Exchange_i.

"Early Payment Date (k)" means the "Early Payment Date (k)" as specified in § 1 of the Product and Underlying Data.

"Early Redemption Amount (k)" means the "Early Redemption Amount (k)" as calculated or specified by the Calculation Agent pursuant to § 4 (2) of the Special Conditions.

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

"Early Redemption Level_i (k)" means the Early Redemption Level_i (k) as specified in § 1 of the Product and Underlying Data.

"Expiry Date (Data di Scadenza)" means the Expiry Date as specified in § 1 of the Product and Underlying Data.

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

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

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

- (a) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which are needed in order to hedge price risks or other risks with regard to its obligations under the Securities; whether

this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);
or

(b) realise, reclaim or pass on proceeds from such transactions or assets,
under conditions which are economically substantially equivalent to those on the First Trade Date.

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

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

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

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

"K_i (k)" means the Reference Price_i on the respective Observation Date (k).

"K_i (m)" means the Reference Price_i on the respective Observation Date (m).

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

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

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

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

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

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

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

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

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

"Final Observation Date" means the Final Observation Date as specified in § 1 of the Product and Underlying Data. If the Final Observation Date is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the Final Observation Date for all Basket Components. The Final Payment Date shall be postponed accordingly. Interest shall not be payable due to such postponement.

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

"Observation Date (k)" means the Observation Date (k) as specified in § 1 of the Product and Underlying Data. If the Observation Date (k) is not a Calculation Date for one or more Basket Components, the immediately

following day, which is a Calculation Date shall be the respective Observation Date (k) for all Basket Components. The respective Early Payment Date (k) shall be postponed accordingly. Interest shall not be payable due to such postponement.

"Observation Date (m)" means the Observation Date (m) as specified in § 1 of the Product and Underlying Data. If the Observation Date (m) is not a Calculation Date for one or more Basket Components, the immediately following day, which is a Calculation Date shall be the respective Observation Date (m) for all Basket Components. The respective Additional Conditional Amount Payment Date (m) shall be postponed accordingly. Interest shall not be payable due to such postponement.

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

$$K_i(b) / K_i(\text{initial})$$

"Performance of the Basket Component_i (k)" means the Performance of the Basket Component_i on the respective Observation Date (k) according to the following formula:

$$K_i(k) / K_i(\text{initial})$$

"Performance of the Basket Component_i (m)" means the Performance of the Basket Component_i on the respective Observation Date (m) according to the following formula:

$$K_i(m) / K_i(\text{initial})$$

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

$$K_i(\text{final}) / K_i(\text{initial})$$

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

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

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

"Relevant Exchange_i" means the respective Relevant Exchange_i as specified in § 2 of the Product and Underlying Data.

In the case of a material change in the market conditions at the respective Relevant Exchange_i, such as a final discontinuation of the quotation of the respective Basket Component_i at the respective Relevant Exchange_i and the quotation at a different stock exchange or considerably restricted number or liquidity, the Relevant Exchange shall be substituted as the Relevant Exchange by another exchange that offers satisfactorily liquid trading in the respective Basket Component_i (the **"Substitute Exchange"**); such exchange shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). In this case, any reference to the Relevant Exchange_i in the Terms and Conditions of these Securities shall from then on be deemed to refer to the Substitute Exchange.

"Security Holder" means the holder of a Security.

"Settlement Cycle" means the period of Clearance System Business Days following a transaction on the Relevant Exchange_i with respect to the relevant Basket Component_i, during which period settlement will customarily take place according to the rules of such Relevant Exchange_i.

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

- (a) the quotation of the respective Basket Component_i at the Relevant Exchange_i is finally ceased and no Substitute Exchange could be determined; whether this is the case shall be determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB);

- (b) the quotation of the respective Basket Component_i at the Relevant Exchange_i no longer occurs in the Currency of the Basket Component_i;
- (c) a Change in Law occurs;
- (d) an early termination performed by the respective Determining Futures Exchange_i of the there traded Derivatives of the respective Basket Component_i.

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

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

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

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

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

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

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

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

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

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

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

§ 2

Interest, Additional Amount

- (1) *Interest:* The Securities do not bear interest.
- (2) *Additional Conditional Amount (m):* If an Additional Conditional Amount Payment Event has occurred on an Observation Date (m), the respective Additional Conditional Amount (m) will be paid on the respective Additional Conditional Amount Payment Date (m) pursuant to the provisions of § 6 of the Special Conditions less all Additional Amounts paid on the preceding Additional Amount Payment Dates.

If no Additional Conditional Amount Payment Event has occurred on an Observation Date (m), the Additional Conditional Amount (m) will not be paid on the respective Additional Conditional Amount Payment Date (m).

§ 3

Redemption, Automatic Early Redemption

- (1) *Redemption:* The Securities shall be redeemed by payment of the Redemption Amount on the Final Payment Date pursuant to the provisions of § 6 of the Special Conditions.
- (2) *Automatic Early Redemption:* If an Early Redemption Event has occurred, the Securities will be automatically early redeemed on the immediately following Early Payment Date (k) by payment of the respective Early Redemption Amount (k) on the respective Early Payment Date (k) pursuant to the provisions of § 6 of the Special Conditions.

§ 4

Redemption Amount, Early Redemption Amount

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

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

$$\text{Redemption Amount} = \text{Nominal Amount} \times \text{Worst Performance (final)} / (\text{Strike})$$

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

- (2) *Early Redemption Amount:* The Early Redemption Amount (k) for an Early Payment Date (k) is specified in § 1 of the Product and Underlying Data.

§ 5

Issuer's Extraordinary Call Right

Issuer's extraordinary call right: Upon the occurrence of a Call Event the Issuer may call the Securities extraordinarily by giving notice pursuant to § 6 of the General Conditions and redeem the Securities at their Cancellation Amount. Such call shall become effective at the time indicated in the notice. The application of §§ 313, 314 BGB remains reserved.

The "**Cancellation Amount**" shall be the fair market value of the Securities as of the first Banking Day before the extraordinary call becomes effective, determined by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB) under then prevailing circumstances.

The determination of the fair market value is based on the economic equivalent of the Issuer's payment obligations to the Security Holders consistent with the provisions for the redemption profile, interest or other additional amounts of the Securities that would otherwise be due after the day on which the extraordinary call becomes effective and which is adjusted for taking into consideration the following parameters as of the first Banking Day before the extraordinary call becomes effective: the price of the Underlying, the remaining time to maturity, the estimated volatility, the expected dividends (if applicable), the current market interest rate as well as the interest spread associated with the credit default risk of the Issuer and any other relevant market parameter that can influence the value of the Securities.

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

§ 6

Payments

- (1) *Rounding:* The amounts payable under these Terms and Conditions shall be rounded up or down to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.
- (2) *Business day convention:* If the due date for any payment under the Securities (the "**Payment Date**") is not a Banking Day then the Security Holders shall not be entitled to payment until the next following Banking Day. The Security Holders shall not be entitled to further interest or other payments in respect of such delay.
- (3) *Manner of payment, discharge:* All payments shall be made to the Principal Paying Agent. The Principal Paying Agent shall pay the amounts due to the Clearing System to be credited to the respective accounts of the depository banks and to be transferred to the Security Holders. The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such a payment.
- (4) *Interest of default:* If the Issuer fails to make payments under the Securities when due, the amount due shall bear interest on the basis of the default interest rate established by law. Such accrual of interest starts on the day following the due date of that payment (including) and ends on the effective date of the payment (including).

§ 7

Market Disruptions

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

Any Payment Date relating to such Observation Date shall be postponed if applicable. Interest shall not be payable due to such postponement.

- (2) *Discretionary valuation:* If the Market Disruption Event continues for more than 8 consecutive Banking Days the Calculation Agent shall determine in its reasonable discretion (§ 315 et seq. BGB) the respective Reference Price required for the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. Such Reference Price shall be determined in accordance with prevailing market conditions at 10:00 a.m. (Munich local time) on this 9th Banking Day, taking into account the financial position of the Security Holders.

If within these 8 Banking Days traded Derivatives of the Basket Component_i expire and are settled on the Determining Futures Exchange_i, the settlement price established by the Determining Futures Exchange_i for the there traded Derivatives will be taken into account in order to conduct the calculations or, respectively, specifications described in the Terms and Conditions of these Securities. In that case, the expiration date for those Derivatives is the respective Observation Date.

§ 8

Adjustments, Replacement Specification

- (1) *Adjustments:* Upon the occurrence of an Adjustment Event the Terms and Conditions of these Securities (in particular the respective Basket Component_i, the Ratio_i and/or all prices of the Basket Components, which have been specified by the Calculation Agent) and/or all prices of the Basket Components determined by the Calculation Agent on the basis of the Terms and Conditions of these Securities shall be adjusted in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible. Such adjustments shall be made by the Calculation Agent in its reasonable discretion (§ 315 et seq. BGB). Any such adjustment will be performed taking into consideration any adjustments made by the Determining Futures Exchange_i to the there traded Derivatives linked to the respective Basket Component_i, and the remaining term of the Securities as well as the latest available price of the respective Basket Component_i. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange_i, no adjustments were made to the Derivatives linked to the respective Basket Component_i, the Terms and Conditions of these Securities regularly remain unchanged. The exercised adjustments and the date of the first application shall be notified according to § 6 of the General Conditions.
- (2) *Replacement Specification:* If a price of the respective Basket Component_i published by the Relevant Exchange_i pursuant to the Terms and Conditions of these Securities will subsequently be corrected and the correction (the "**Corrected Value**") is published by the Relevant Exchange_i after the original publication, but still within one Settlement Cycle, then the Calculation Agent will notify the Issuer of the Corrected Value without undue delay and shall again specify and publish the respective value by using the Corrected Value (the "**Replacement Specification**") pursuant to § 6 of the General Conditions.
- (3) The application of §§ 313, 314 BGB remains reserved.