

THE PRODUCT MAY BE SOLD TO MIFID PROFESSIONAL CLIENTS/QUALIFIED INVESTORS ONLY

**CASH COLLECT PROTECTION 100% SU 3 MONTHS EURIBOR
(IT0005599797)**

TERMS AND CONDITIONS

PART A - GENERAL CONDITIONS OF THE SECURITIES

(the "General Conditions")

§ 1

Form, Book Entry, Clearing System

- (1) *Form:* This tranche (the "**Tranche**") of securities (the "**Securities**") of UniCredit S.p.A. (the "**Issuer**") will be issued as certificates in dematerialized registered form pursuant to these Terms and Conditions in the Specified Currency.
- (2) *Book Entry:* The Securities are registered in the books of the Clearing System, in accordance with the Legislative Decree no. 58 of 24 February 1998, as amended (*Testo Unico della Finanza*, "**Consolidated Law on Financial Intermediation**") and with the rules governing central depositories, settlement services, guarantee systems and related management companies, issued by the Bank of Italy and by the Italian securities regulator 'Commissione Nazionale per le Società e la Borsa' (CONSOB) on 22 February 2008, as amended. No physical document of title will be issued to represent the Securities, without prejudice to the right of the Security Holder to obtain the issuance of the certification as per Sections 83-*quinquies* and 83-*novies*, paragraph 1, lett. b) of the Consolidated Law on Financial Intermediation. The transfer of the Securities operates by way of registration on the relevant accounts opened with the Clearing System by any intermediary adhering, directly or indirectly, to the Clearing System ("**Account Holders**"). As a consequence, the respective Security Holder who from time to time is the owner of the account held with an Account Holder will be considered as the legitimate owner of the Securities and will be authorised to exercise all rights related to them, in accordance with these Terms and Conditions and applicable provisions of law.

§ 2

Principal Paying Agent, Paying Agent, Calculation Agent

- (1) *Paying Agents:* The "**Principal Paying Agent**" is UniCredit S.p.A., Piazza Gae Aulenti 3 - Tower A - 20154 Milan, Italy. 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 GmbH, 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 on behalf of the Issuer and do not assume any obligations towards or relationship of mandate or trust for or with any of the Security Holders. For the avoidance of doubt, Section 1395 of the Italian Civil Code (*Codice Civile*, "**CC**") shall not apply in respect of any acts of the Principal Paying Agent.

§ 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 is the Issuer 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

- (1) The obligations of the Issuer under the Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, ranking (subject to any obligations preferred by any applicable law (also subject to the bail-in instruments as implemented under Italian law)) *pari passu* with all other unsecured obligations (other than obligations ranking junior to the senior notes from time to time (including non-preferred senior notes and any further obligations permitted by law to rank junior to the senior notes following the Issue Date), if any) of the Issuer, present and future and, in the case of the senior notes, *pari passu* and rateably without any preference among themselves.
- (2) The Security Holders unconditionally and irrevocably waive any right of set-off, netting, counterclaim, abatement or other similar remedy which they might otherwise have under the laws of any jurisdiction or otherwise in respect of such Securities.
- (3) Claims arising from Securities are neither secured, nor subject to a guarantee or any other arrangement that enhances the seniority of the claims.
- (4) The value of the claim arising from Securities in cases of the insolvency and of the resolution of the Issuer is fixed or increasing, and does not exceed the initially paid-up amount of the Securities, under all relevant laws and regulations amended from time to time, which are and will be applicable to the Issuer.
- (5) The Security Holders are not entitled to accelerate the payments under the Securities, other than in the case of the insolvency or liquidation of the Issuer, under all relevant laws and regulations amended from time to time, which are and will be applicable to it. For the avoidance of doubt, resolution proceeding(s) or *moratoria* imposed by a resolution authority in respect of the Issuer shall not constitute an event of default for the Securities for any purpose and shall not entitle to accelerate the payments under the Securities.
- (6) There is no negative pledge in respect of the Securities.

§ 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 authorisations and have satisfied all other conditions as necessary to ensure that the Securities are legal, valid and enforceable obligations of the New Issuer;
 - (c) the Issuer and the New Issuer 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;
 - (d) 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;
 - (e) the Issuer irrevocably and unconditionally guarantees proper payment of the amounts due under these Terms and Conditions; and
 - (f) (i) the proceeds are immediately available to the New Issuer, without limitation (ii) each Security Holder is treated as if the Substitution of the Issuer had not taken place and (iii) the competent supervisory authority or resolution authority has granted its prior consent (if and to the extent required by law).

For purposes of this § 5 (1) "**Affiliate**" means a company controlling, controlled by, or under common control with, the Issuer, provided that the term "controlled" ("*controllate*") shall have the meaning ascribed to it in Section 93 of the Consolidated Law on Financial Intermediation and the terms "controlling" and "common control" shall be interpreted accordingly.

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

§ 6

Notices

- (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 or such later effective date is otherwise required under applicable law. If and to the extent that binding provisions of effective law or stock exchange provisions provide for other forms of publication, such publications must be made in addition and as provided for.

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

- (2) In addition, the Issuer may deliver all notices concerning the Securities to the Clearing System for communication by the Clearing System to the Security Holders. Any such notice shall be deemed to have been given to the Security Holders on the seventh Banking Day after the day on which the said notice was given to the Clearing System.

Any notice published on the Website for Notices which has become effective shall prevail the notice via 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

(intentionally omitted)

§ 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, inaccuracies and inconsistencies:* The Issuer may amend these Terms and Conditions without having to obtain the prior consent of the Security Holders, provided that such amendments (i) do not prejudice the rights or interests of the Security Holders and (ii) are aimed at correcting a manifest or obvious error, or at removing inaccuracies or inconsistencies from the text. Any notices to the Security Holders relating to the amendments referred to in the previous sentence shall be made in accordance with § 6 of the General Conditions.

§ 10

Applicable Law, Choice of Forum

- (1) *Applicable law:* The Securities, as to form and content, and all rights and obligations thereunder shall be governed by the laws of the Republic of Italy.
- (2) *Choice of Forum:* To the extent permitted by law, all disputes arising from or in connection with the matters governed by these Terms and Conditions shall be brought before the Tribunal of Milan, Italy.

§ 11

Contractual recognition of statutory bail-in powers

- (1) By the acquisition of the Securities, each Security Holder acknowledges and agrees to be bound by the exercise of any Bail-in Power by the Relevant Resolution Authority that may result in the write-down or cancellation of all or a portion of the amounts payable with respect to the Securities and/or the conversion of all or a portion of the amounts payable with respect to the Securities into ordinary shares or other obligations of the Issuer or another person to give effect to the exercise by the Relevant Resolution Authority of such Bail-in Power. Each Security Holder further agrees that the rights of the Security Holders are subject to the exercise of any Bail-in Power by the Relevant Resolution Authority.

Upon the Issuer being informed or notified by the Relevant Resolution Authority of the actual exercise of the date from which the Bail-in Power is effective with respect to the Securities, the Issuer shall notify the Security Holders without delay pursuant to § 6 of the General Conditions. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in Power nor the effects on the Securities described in this § 11.

- (2) The exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Securities shall not constitute an event of default, as applicable, or entail the Security Holders to terminate the Securities and these Terms and Conditions shall continue to apply in relation to the redemption amounts payable with respect to the Securities subject to any modification of the amount of distributions or other ongoing payments payable to reflect the reduction of the redemption amount payable, and any further modification of these Terms and Conditions that the Relevant Resolution Authority may decide in accordance with applicable laws and regulations relating to the resolution of the Issuer and/or entities of the Group incorporated in the relevant Member State.

"Bail-in Power" means any statutory write-down, transfer and/or conversion power existing from time to time under any laws, regulations, rules or requirements, whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or entities of the Group incorporated in the relevant Member State in effect and applicable in the relevant Member State to the Issuer or other entities of the Group, including (but not limited to) any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of the Issuer and/or any entities of the Group can be reduced, cancelled and/or converted into shares or obligations of the obligor or any other person.

"Group" means the UniCredit Banking Group, registered with the Register of Banking Groups held by the Bank of Italy pursuant to Article 64 of the Legislative Decree No. 385 of 1 September 1993 of the Republic of Italy, under number 02008.1.

"Relevant Resolution Authority" means the German resolution authority, the Italian resolution authority, the Single Resolution Board (SRB) established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any bail-in power from time to time.

PART B - PRODUCT AND UNDERLYING DATA

(the "Product and Underlying Data")

§ 1

Product Data

ISIN:	IT0005599797
WKN:	A2FHMR
Reuters:	IT0005599797=HVBG
Series Number:	PI059620
Tranche Number:	1

Issuance Data

First Trade Date:	5 August 2024
Issue Date:	30 September 2024
Calculation Amount:	EUR 500,000.00
Minimum Subscription Amount:	EUR 2,000,000.00 with increments of EUR 500,000.00
Specified Currency:	Euro ("EUR")
Website for Notices:	www.investimenti.unicredit.it
Website of the Issuer:	www.unicreditgroup.eu
Issue Volume of Series in units:	Up to 500 Securities
Issue Volume of Tranche in units:	Up to 500 Securities
Issue Price:	EUR 500,000.00 per Security

Specific Data

Underlying:	EURO 3 Month EURIBOR with base Act/360
Minimum Amount:	EUR 500,000.00
Expiry Date (<i>Data di Scadenza</i>):	30 September 2027
Final Payment Date:	30 September 2027

Reference Rate

Designated Maturity:	3 months
Reference Rate Administrator:	European Money Markets Institute
Reference Rate Financial Centre:	Eurozone
Reference Rate Time:	11.00 a.m. (Brussels local time)
Registered Reference Rate-Administrator:	yes
Screen Page:	Bloomberg: EUR003M Curncy, Reuters: EURIBOR3MD=

Additional Conditional Amount (*Performance*)

Additional Conditional Amount Observation Date (<i>Performance</i>) (m):	26 September 2024 (1), 27 December 2024 (2), 26 March 2025 (3), 26 June 2025 (4), 26 September 2025 (5), 29 December 2025 (6), 26 March 2026 (7), 26 June 2026 (8), 28 September 2026 (9), 28 December 2026 (10), 24 March 2027 (11), 28 June 2027 (12)
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Additional Conditional Amount Payment Date (<i>Performance</i>) (m):	30 December 2024 (1), 31 March 2025 (2), 30 June 2025 (3), 30 September 2025 (4), 30 December 2025 (5), 30 March 2026 (6), 30 June 2026 (7), 30 September 2026 (8), 30 December 2026 (9), 30 March 2027 (10), 30 June 2027 (11), 30 September 2027 (12)
Additional Conditional Amount Payment Level (<i>Performance</i>) (m):	0.00%
Participation Factor (m):	100% (1), 100% (2), 100% (3), 100% (4), 100% (5), 100% (6), 100% (7), 100% (8), 100% (9), 100% (10), 100% (11), 100% (12)

§ 2

Underlying Data

Underlying:	EURO 3 Month EURIBOR with base Act/360
Underlying Currency:	EUR
ISIN:	EU0009652783
Reuters:	EURIBOR3MD=
Bloomberg:	EUR003M Curncy
Website:	www.emmi-benchmarks.eu

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

UniCredit S.p.A. and UniCredit Bank GmbH have a conflict of interest with regard to the Securities as they belong to UniCredit Group.

UniCredit Bank GmbH is the Calculation Agent of the Securities.

UniCredit S.p.A. is the Principal Paying Agent of the Securities.

UniCredit Bank GmbH is the arranger of the Securities.

UniCredit S.p.A. offers an information service which will provide on ongoing basis information related to the Securities.

The Certificates will not be admitted to trading on a regulated market or a multilateral trading facility (MTF).

The investor has the right, in normal market conditions, to ask the Issuer for the disinvestment of the Certificate, in whole or in part, at a price equal to the Issue Price together with any accrued interest per Certificate. Secondary Market transactions will be executed with value date t+2.

PART C - SPECIAL CONDITIONS OF THE SECURITIES

(the "Special Conditions")

§ 1

Definitions

"Additional Conditional Amount (Performance) (m)" means the Additional Conditional Amount (*Performance*) (m) as calculated or determined by the Calculation Agent pursuant to § 2 of the Special Conditions.

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

"Additional Conditional Amount Payment Event (Performance)" means, with respect to an Additional Conditional Amount Observation Date (*Performance*) (m), that R (m) is equal to or greater than the respective Additional Conditional Amount Payment Level (*Performance*) (m).

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

"Banking Day" means each day (other than a Saturday or Sunday) on which the Clearing System and the Real Time Gross Settlement System operated by the Eurosystem (T2) (or any successor system thereto) are open for business.

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

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

"Calculation Date" means each TARGET Banking Day.

"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 but not limited to the administrative practice of the tax or financial supervisory authorities),

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

Whether this is the case shall be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.

"Clearing System" means Monte Titoli S.p.A., with offices in Piazza degli Affari no. 6, Milan, Italy ("**Monte Titoli**").

"Conversion Event" means Reference Rate Conversion Event and Change in Law.

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

"Eurozone" means the countries and territories listed in Annex of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the Euro, in its current version.

"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.

"Following Business Day Convention" means that if, with respect to a Payment Date, the respective Payment Date is not a Banking Day, the Security Holders shall not be entitled to payment until the next following Banking Day.

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

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

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

"Additional Conditional Amount Observation Date (Performance) (m)" means each of the Additional Conditional Amount Observation Dates (*Performance*) (m) as specified in § 1 of the Product and Underlying Data. If an Additional Conditional Amount Observation Date (*Performance*) (m) is not a Calculation Date the immediately following day, which is a Calculation Date shall be the respective Additional Conditional Amount Observation Date (*Performance*) (m). The respective Additional Conditional Amount Payment Date (*Performance*) (m) shall be postponed accordingly. Interest shall not be payable due to such postponement.

"Participation Factor (m)" means the Participation Factor (m) as specified in § 1 of the Product and Underlying Data.

"Payment Date" means the due date for any payment under the Securities.

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

"R (m)" means the Reference Rate on the relevant Additional Conditional Amount Observation Date (m).

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

"Reference Banks" means four major banks in the Eurozone interbank market, which will be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.

"Reference Rate" means the Reference Rate as specified in § 1 of the Product and Underlying Data and as determined according to § 2 (3) of the Special Conditions.

"Reference Rate-Administrator" means the administrator of the Reference Rate as registered in a register pursuant to Article 36 of the Regulation (EU) 2016/1011, as amended from time to time. The Reference Rate-Administrator is indicated in § 1 of the Product and Underlying Data.

"Reference Rate Cessation Event" means any of the following events:

- (a) it becomes unlawful for the Issuer to use the Reference Rate as reference rate for the Securities;
- (b) the Reference Rate-Administrator ceases to calculate and publish the Reference Rate on a permanent basis or for an indefinite period of time;
- (c) the Reference Rate-Administrator becomes illiquid or an insolvency, bankruptcy, restructuring or similar procedure (regarding the administrator) has been set up by the Reference Rate-Administrator or the relevant supervisory authority;
- (d) the Reference Rate otherwise ceases to exist; or
- (e) the relevant central bank or a supervisory authority determines and publishes a statement that the relevant central bank or supervisory authority has determined that such Reference Rate no longer represents the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored;

whether this is the case shall be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.

"Reference Rate Conversion Event" means each of the following events:

- (a) no suitable Replacement Reference Rate (as specified in § 9 (1) of the Special Conditions) is available; or
- (b) an adjustment pursuant to § 9 (2) of the Special Conditions is not possible or unreasonable for the Issuer and/or the Security Holders;

whether this is the case shall be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.

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

"Reference Rate Financial Centre" means the Reference Rate Financial Centre as specified in § 1 of the Product and Underlying Data.

"Reference Rate Time" means the Reference Rate Time as specified in § 1 of the Product and Underlying Data.

"Registered Reference Rate-Administrator" means that the Reference Rate is administered by an administrator who is registered in a register pursuant to Article 36 of the Benchmark 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 **"Benchmark-Regulation"**) as specified in § 1 of the Product and Underlying Data.

"Screen Page" means the Screen Page and, if applicable, the corresponding heading as indicated in § 1 of the Product and Underlying Data. Should this page be replaced or the respective service cease to be available, the Calculation Agent will, acting in accordance with relevant market practice and in good faith, determine another Screen Page displaying the Reference Rate. Such new Screen Page shall be notified pursuant to § 6 of the General Conditions.

"Security Holder" means the holder of a Security.

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

"TARGET Banking Day" means a day on which T2 is operational.

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

"Underlying" means the Reference Rate.

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

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

§ 2

Interest, Additional Amount

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

The respective Additional Conditional Amount (*Performance*) (m) will be calculated by the Calculation Agent in accordance with the following formula:

Additional Conditional Amount (*Performance*) (m) = Calculation Amount x Participation Factor (m) x R (m).

If with respect to an Additional Conditional Amount Observation Date (*Performance*) (m) an Additional Conditional Amount Payment Event (*Performance*) has not occurred, the respective Additional Conditional Amount (*Performance*) (m) will not be paid.

- (3) *Reference Rate*: "**Reference Rate**" means the offer rate (expressed as per cent. per annum) for deposits in the Reference Rate Currency for the respective Designated Maturity which appears on the Screen Page as of the Reference Rate Time, on the respective Calculation Date.

Subject to the occurrence of a Reference Rate Cessation Event, if the Screen Page is not available at the Reference Rate Time, or if such offer rate does not appear on the Screen Page, the Calculation Agent will act in accordance with relevant market practice and in good faith

- (a) request each of the Reference Banks in the Reference Rate Financial Centre to provide its rate at which deposits in the Reference Rate Currency are offered at the Reference Rate Time on the respective Calculation Date to prime banks in the interbank market for the respective Designated Maturity in a representative amount.

If at least two of the Reference Banks provide the Calculation Agent with such quotations, the Reference Rate will be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations.

If on a Calculation Date only one or none of the Reference Banks provides the Calculation Agent with such quotations, the respective Reference Rate will be the arithmetic mean (rounded as described above) of the rates quoted by major banks in the Reference Rate Financial Centre, determined by the Calculation Agent acting in accordance with relevant market practice and in good faith, at the Reference Rate Time, on that Calculation Date for loans in the Reference Rate Currency to leading European banks for the respective Designated Maturity and in a representative amount;

or, if the Reference Rate cannot be determined pursuant to (a) above or the determination procedure pursuant to (a) does no longer reflect current market practices for derivative instruments,

- (b) determine the Reference Rate based on the publication of the Reference Rate by an alternative authorised distributor or the Reference Rate-Administrator.

If the Calculation Agent is unable to determine the Reference Rate on the basis of the publication of the Reference Rate by an alternative authorised distributor or the Reference Rate-Administrator, the Calculation Agent will determine the Reference Rate acting in accordance with relevant market practice and in good faith. In doing so, it may in particular

- (i) use an alternative rate for the Reference Rate formally recommended by the Reference Rate-Administrator or, alternatively, by the supervisor of the Reference Rate or the central bank for the Reference Rate Currency, or in the absence thereof
- (ii) use the alternative rate for the Reference Rate implemented by a futures exchange or alternatively a central counterparty for the Reference Rate, provided that it is sufficiently representative of the Reference Rate; or in the absence thereof
- (iii) use the average value of the last Reference Rates published at the Reference Rate Time of the previous five Banking Days prior to the respective Calculation Date.

§ 3

Redemption

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.

§ 4

Redemption Amount

Redemption Amount: The Redemption Amount corresponds to the Minimum Amount.

§ 5

Issuer's Conversion Right

Issuer's Conversion Right: Upon the occurrence of a Conversion Event the Securities shall be redeemed at the Settlement Amount on the Final Payment Date.

The "**Settlement Amount**" shall be the market value of the Securities, with accrued interest for the period until the Final Payment Date at the market rate of interest being traded at such time for liabilities of the Issuer with the same remaining term as the Securities within ten Banking Days following the occurrence of the Conversion Event; it shall be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith. The fair market value, as calculated by the Calculation Agent, is calculated based on the redemption profile of the Securities which has to be adjusted taking into consideration the following parameters as of the tenth Banking Day before the conversion becomes effective: the price of the Underlying, the remaining time to maturity, the volatility, the dividends (if applicable), the current interest rate as well as the counterparty risk and any other relevant market parameter that can influence the value of the Securities. However, the Settlement Amount shall not be less than the Minimum Amount. If it is not possible to determine the market value of the Securities, the Settlement Amount corresponds to the Minimum Amount. The Settlement Amount shall be notified pursuant to § 6 of the General Conditions.

The right for payment of any Additional Conditional Amount (m) ceases to exist in relation to all Additional Conditional Amount Payment Dates (m) following the occurrence of a Conversion Event.

The Settlement Amount will be paid 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 a Payment Date is not a Banking Day then the Following Business Day Convention shall apply. 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 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 legal interest rate (*'Saggio degli Interessi legali'*), pursuant to Section 1284 CC, without prejudice to any other mandatory provisions under Italian 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

(intentionally omitted)

§ 8

(intentionally omitted)

§ 9

Replacement Reference Rate, Adjustments, Interest Rate Adjustment Factor or Spread, Notifications

- (1) *Replacement Reference Rate:* Upon the occurrence of a Reference Rate Cessation Event on or preceding an Observation Date, the Reference Rate will be replaced by the Calculation Agent with an economically suitable reference rate (the "**Replacement Reference Rate**"). The Reference Rate should be replaced by a Replacement Reference Rate that pursuant to the following sequence of adjustment methods (each an "**Adjustment Method Level**")
 - (a) has been publicly and permanently declared as the replacement for the original Reference Rate by the Reference Rate-Administrator, the relevant central bank or a supervisory authority and may be used as a Replacement Reference Rate in accordance with the governing law of the Securities, or – in the event and as long as this is not the case –
 - (b) is typically used as a replacement reference rate for comparable securities (in particular with a view to the Reference Rate Currency, the type of interest payment and the term), or – in the event and as long as this is not the case –
 - (c) is typically used as a reference rate for (x) interest rate swaps (fixed/floating interest) in the Reference Rate Currency or (y) exchange traded interest futures with a comparable term, or – in the event and as long as this is not the case –

- (d) is determined by the Calculation Agent acting in accordance with relevant market practice and in good faith with a view to the Reference Rate Currency and the Designated Maturity in a reasonable economical manner, based on the general interest rate level at the relevant point in time in Italy.

The Replacement Reference Rate is – subject to the occurrence of a new Reference Rate Cessation Event – applicable to all subsequent interest periods. With respect to subsequent Observation Dates, however, a new adjustment may be made with respect to the preceding Reference Rate Cessation Event if an adjustment based on a prior ranking Adjustment Method Level pursuant to the sequence (a) to (d) is then possible at that time. This includes the change from a daily interest rate previously selected under a specific Adjustment Method Level to a previously unpublished term-based interest rate.

- (2) *Adjustments:* If necessary, the Calculation Agent will make further adjustments to these Terms and Conditions acting in accordance with relevant market practice and in good faith. This includes in particular:

- (a) the method of calculation or determination of the Additional Conditional Amount (m); this includes the application of an interpolation or an interest rate on the Securities by means of a formula on a daily interest basis;
- (b) the method for determination of the Reference Rate (including any rounding rules);
- (c) the Designated Maturity, which can be shortened or extended;
- (d) the relevant Screen Page, Reference Rate Time and/or Reference Rate Financial Centre; and/or
- (e) the business day convention according to § 6 (2) of the Special Terms and Conditions.

Such adjustments shall enable the Calculation Agent

- (i) to use the Replacement Reference Rate in accordance with the then prevailing market practice
- (ii) or – to the extent that the Calculation Agent determines that the application of any part of such prevailing market practice is not technically feasible, a prevailing market practice for the Replacement Reference Rate does not exist or does not lead to economically meaningful results –
- (iii) to use the Replacement Reference Rate in such a manner as determined by the Calculation Agent necessary for its use as the Replacement Reference Rate for the Securities; whether this is the case shall be determined by the Calculation Agent acting in accordance with relevant market practice and in good faith.

- (3) *Interest rate adjustment factor or spread:* In addition to an adjustment under paragraph (2), the Calculation Agent may also determine an interest rate adjustment factor or spread for the purpose of determining or calculating the Interest Rate or Interest Amount in such a way that the financial position of the Security Holders remains unchanged to the greatest extent possible.

- (4) *Notifications:* The Calculation Agent shall notify the Issuer without undue delay of the Replacement Reference Rate pursuant to paragraph (1) and the adjustments and determinations made pursuant to paragraphs (2) as well as the date of first application, who will notify the Security Holders and any exchange, on which the Securities are listed and whose provisions require a notification to the exchange pursuant to § 6 of the General Conditions of the Securities.